

INSIDE: THE RAGE TO RENOVATE

Maclean's

NOVEMBER 2, 1987

CANADA'S WEEKLY NEWSMAGAZINE

\$1.75

LIVING WITH THE CRASH



**THE FORTUNES
WON AND LOST**

**HOW CANADIANS
ARE WEATHERING
THE HURRICANE**



KING SIZE



WARNING: Health and Welfare Canada advises that danger to health increases with amount smoked — avoid inhaling.
 Av. per cigarette: R & H King Size: Tar 13mg, Nicotine 1.2; King Size Lights: Tar 10mg, Nicotine 1.0

Maclean's

SOUTHWEST J. LING., VOL. 100 NO. 44

Living with the crash

From juggle stockholders to worried pensioners, Canadians began dealing with the great market crash of 1987 last week—with an array of unfamiliar terms. Politicians and bankers tried to stem the flow of panic selling and avert an economic collapse. And critics—including those in the brokerage houses—called for reform and restraint. —Page 20

Page 20

© 2014 by Taylor & Francis Group, LLC



One year after his election victory British Columbia's Premier William Vander Zalm announced sweeping plans to privatize many government agencies. —Page 16



With its fifth album, the Irish group U2 has shot from cult status to pop music's stratosphere. One critic calls it the greatest rock 'n' roll band in the world. —*Page 6*



| | |
|---------------------------|----|
| Business/Technology Group | 26 |
| Canada | 14 |
| Editorial | 7 |
| Environment | 7 |
| Fiction | 40 |
| Films | 10 |
| Forthcoming | 64 |
| Foreign | 13 |
| Garden | 11 |
| Letters | 4 |
| Music | 62 |
| Newsmag | 49 |
| Pageones | 5 |
| People | 86 |
| Sports | 37 |
| Trends | 42 |
| World | 29 |



It was a decidedly dismal week for U.S. President Ronald Reagan. But the failure of nuclear missile talks in Moscow proved to be the unkindest cut of all. — Page 3



Excluding waste, dirt and disorder, Canadians are spending billions of dollars improving their homes, with help from experts like Habitat's John Greenough. — Page 42

Distant solutions

Lambert, Scott

Painting history properly

The use and captioning of the picture that appears on page 45 of the excerpt from Peter C. Newman's book *Conquest of the West* (Oct. 12) is an appalling misuse of a historical document. In the first place, this painting is by an American artist, A. J. Miller, who travelled with the American mountain men in the 1830s and has nothing to do with the Canadian fur trade. Even so, a much more appropriate caption for the picture would be "fur-trade marriage Americana-style." The comment of



Florence, N.C., post office: unusual

white people, and even among native peoples, as it was among some European groups. It was a manual transaction similar to the payment of a dowry and had nothing in common with the institution of slavery. It is a gross historical inaccuracy to suggest, as you did in your caption, that "a flourishing trade in female slaves" existed in the Western Canadian fur trade. Against expert advice, Newswatch has persisted in focusing on lurid stereotypes, as exemplified by the unrepresentative primary-source quotations he has deliberately chosen for his text. He has proven to be more interested in telling sensationalized tales than in reflecting this unique aspect of Canadian history in the balanced yet factual manner

—STYLIA VAN KIRK
Department of History
University of Toronto
Toronto

Peter C. Newman's *Crucible of the West* makes for enjoyable, fascinating reading about Canada's early history. However, in light of the free trade deal, that you should publish it on the eve of what could well be our nation's demise.

—BRIAN RAY (EX-WESTERNER)

Customer: One

Credit to the CBC

Yves Gert II story about the New Brunswick election ("All the earmarks of a Liberal sweep," Canada) refers to a survey done by Canadian Facts. In fact, the survey was done by the CBC. Canadian Facts did the interviewing. The CBC developed the questions and was responsible for their analysis and interpretation. Canadian Facts played no role in this editorial aspect. Lastly, nowhere does your story mention that the survey results were originally released by the CBC's nightly news show in New Brunswick on Oct. 2. —GLEN FRASER

—GAIL THORNTON
Audience Research Officer
National Broadcasting Corp.
Thrust

SENTENCED: Bernhard Goetz, 30, in an attempt to avoid jail, for illegal possession of the pistol he used to shoot four black teenagers in a New York City subway car in December, 1984. The so-called subway vigilante was also fined \$6,000 and ordered to undergo psychiatric treatment and to do 200 hours of community work at a treatment centre for paroled patients. Last June a jury acquitted Goetz of attempted murder and assault charges, but found him guilty of illegally possessing a .38-calibre pistol.

STUDY Renowned British cellist **Jacques** like **de Pré**, 48, at her London home. 14 years after multiple strokes forced her to abandon her successful international concert career. A child prodigy, **de Pré** began playing at age 5 and at 16 made her concert debut in London. In 1957 she married pianist and conductor **Daniel** **Barenboim**, with whom she toured and recorded extensively. After MS, which affects the nervous system and muscle co-ordination, was diagnosed in 1973, **de Pré** never played in public again and instead turned her talents to teaching.

AWARDED: To poet Joseph Brodsky, 47, once a prisoner in a Soviet labor camp but now a U.S. citizen, the \$445,000 1987 Nobel Prize for literature (page 48), and to American economist Robert Solow, 63, the 1987 Nobel Prize in economics for describing the impact of technology on economic growth.

DEB: Former National Hockey League player **Lars-Erik Sjöberg**, 41, of cancer in hospital, in Uppsala, Sweden. Known as the "Little General," the former captain and defenceman of the Winnipeg Jets (1975-1976) led the team to three championships when it was in the World Hockey Association. Sjöberg also played with the Jets in their first NHL season (1979).

HEIDI Career diplomat Ian Christie Clark, 57, as Director-general of the National Arts Centre in Ottawa. Clark was replaced in December, 2006, as Canadian ambassador to the United Nations Education, Scientific and Cultural Organization (UNESCO) in Paris by former Montreal mayor Jean Drapeau, 72. At the NAC, which is a complex of performing arts facilities with a focus on Canadian talent, Clark succeeds Donald MacIsaac, 58, who resigned in March.

SENTENCES: British jockey Lester Piggott, 51, to three years in jail after pleading guilty to massive tax evasion, by a court in Ipswich, England. Piggott, who rode over 6,000 winners in a 38-year career, earning an estimated \$42 million, admitted that he failed to declare income worth \$5.6 million.

DEWAR'S PROFILE:

GORDON ANDERSON

RECEIVED: Toronto, Italy, and Buffalo

ACTA 311

OCCUPATION: President of Pigeon Enterprises;
TV colour commentator; world doubles squash
champion.

HOOBY: Trying to be in the same place as his wife and two daughters at the same time.

LAST BOOK READ: *Measure of the Invisible Man* by Harry Stein.

LATEST ACCOMPLISHMENT: Building squash courts by some of the latest clubs in North America, using prime, edge-grain maple. A new start for a number of all the makers.

WHY I DO WHAT I DO: "I've never felt that anything I did was work. But try telling that to the tax man."

QUOTE: "Pay taxes first. And make sure your children get a good education."

FINOPLÉ: On the international circuit he's known as a clown. Until he starts playing.

HIS SCOUTS: Dewar's "White Label" on the rocks. "I've played some of the best. And afterwards I've sat down with them over a Dewar's. I'm not sure which I prefer!"



WE CAN ORCHESTRATE AN INFORMATION SYSTEM TO SING A WHOLE NEW RANGE OF SONGS.



Imagine, if you will, your company as an orchestra.

Its members are the different departments that create the music of information your company runs on. And you are the conductor, poised, with baton in hand, to play

your corporate song.

But wait a minute, something is missing!

Half the members don't have the right music, and the other half can't have any instruments.

And that is where office automation hit a sour note.

What should be, is executives, middle managers, professionals and support staff all sharing a cohesive, consistent and useable system to help them make the right decisions at the right time.

BY ADDING DIVA TO YOUR EXISTING PBX/COMPUTER BASE YOU OBTAIN A COST-EFFECTIVE, APPROPRIATELY INTEGRATED SYSTEM.

And with Diva® from Bell Canada, you can still sing that song.

DIVA PULLS IT ALL TOGETHER.

Diva is a leading integrated office system, using existing twisted-pair wiring, designed to both protect and enhance your installed telecommunications and computer investments. That simply means, you don't have to throw out what you already have and you don't have to rethink the way you do business.

This can open up a whole new world of possibilities to the user, and a whole new world of users—to the possibilities!

DIVA MAKES IT ALL WORK IN HARMONY.



VARIETY IS THE SPICE OF IDEAS.

With Diva, you can access information from company mainframes and remote data sources quickly and simply.

You can create, update, and distribute documents, and you don't have to learn multiple computer systems to do it.

You can enhance your personal computing capability.

You can file and retrieve information at will. And you can manage your day by creating a personal timetable and calendar for yourself.

Diva makes it all remarkably easy.

A SOLUTION WITH INFINITE POSSIBILITIES.

Diva is a multi-task, cost-effective system that meets the information needs within a small to medium-sized business, small, self-contained departments of a large organization, offices that are geographically isolated from the remainder of the company, or large departments within a large company.

And Diva can grow as your needs grow.

YOU CONDUCT DIVA TO YOUR OWN MUSIC.

Diva is a thoroughly reliable performer created by Bell, with the highest standards of hardware and software available in the industry, to let you run the show.

It has its own diagnostic software and maintenance procedures that allow you full system administration capabilities plus security and backup features.

And, Diva provides further savings by enabling users to share expensive resources such as discs, printers and communications gateways.

The Songs of Diva
Messaging
Networking
Voice/Data
Administration
Documents
PC Integration

DIVA ALLOWS YOU A USER-FRIENDLY SYSTEM FOR MANAGING INFORMATION AND IMPROVING PRODUCTIVITY.

BELL MAKES IT EASY FOR YOU.

Diva is a user-friendly, flexible, cost-effective and highly reliable integrated office system that is one of the latest advances in Bell's continuing commitment to develop innovative systems for business.

And because Bell has the communications expertise, we can assess your needs, design and install the system, train your people and provide on-going maintenance and support.

To learn more about Diva which will be commercially available this fall, call us now at 1-800-587-5005.

*Diva is a trademark of Bell Canada, commercial availability, Fall 1987

WE TOLD YOU IT WAS COMING. NOW IT'S HERE.

Bell

Nationwide Communications
through Telecom Canada

OFFICE INTEGRATION MADE EASY.

The Canada Cup tonic

It is unbelievable that Morlow's way of dedicating only one page of his magazine to the coverage of Team Canada's incredible win over the Soviets ("Team Canada: greatest show on ice," *Sports*, Sept. 28). It seems to me that this event, although not as dramatic as the 1972 series, served as a great tonic for ailing Canadians to pull together for what is truly Canadian tradition and pride. Canadians deserve to be proud of themselves, and Morlow's should never hesitate to promote this.

—NANCY CORNWELL
Hull, Que.

Down in the hoodocks

I am not a Canadian who baggages Garth Drabinsky's actions (*"King of the silver screen,"* Cover, Sept. 28). I am even amazed that his corporate workers organized the tribute to him during the Montreal World Film Festival. But I ask Drabinsky why Complex

Odeon has not used its exhibition power to deliver quality films to Canadians in the hoodocks. In my community, Complex Odeon took over two theatres (four screens). Yet we wait in vain for good films while American fodder, often poorly attended, plays on and on. Not even *The Decline of the American Empire* has played here. What is a film fan to think except that Complex Odeon condescends to viewers outside major centres?

—JEAN F. NOBLE
St. Catharines, Ont.



Drabinsky's exhibition power

Responsible treasure-hunting

While I was pleased to see your timely coverage of some of the issues surrounding the controversial recovery of American artifacts (*"Digging for dollars,"* Special Report, Aug. 18), I felt that more emphasis

could have been placed on the positive and legitimate undertakings by the many avocational archaeological societies throughout Canada. The struggle within the Canadian diving com-

munity to promote the conservation of our underwater heritage resources—which, incidentally, include significant prehistoric or aboriginal deposits, as well as shipwrecks—has succeeded in integrating many sport-divers with important underwater research. Indeed, a number of significant projects have been carried out entirely through the initiative and dedication of divers with little or no academic training, but who have nonetheless applied high professional standards of research in their work under archaeological permit. By glossing over these achievements, you risk leaving the impression that the only choice divers have is to treasure-hunt, when in fact there is a more responsible alternative to experience the excitement and wonder of exploration by participating in legitimate projects through their provincial or territorial underwater archaeological associations.

—N. ALEXANDER EASTON
Archaeological Projects Director,
Palux Underwater Diving Association,
Whitchurch, P.E.

Letters are edited and may be condensed. Writers should supply name, address and telephone number. Most correspondence is sent to the Editor. Reader's Magazine, Maclean House, 777 King St., Toronto, Ont. M5W 1A7.



One
step at a time.
Together we can make it.

Muscular dystrophy forces people to struggle each day every step of the way and they are fighting with all they've got. We don't know how to stop the muscle degeneration yet, but we are getting closer every day. Become part of the fight, help make the steps easier...

before they stop completely.

MUSCULAR
Dystrophy



You're not just tasting smoothness,
you're tasting heritage.

For over a century, Wiser's De Luxe has been created by the proud craftsmen of the distillery founded by J.P. Wiser.

Today, in every sip of this exceptionally smooth whisky, you can taste the result of such skill and dedication.

WISER'S
DE LUXE
Heritage you can taste.



**You're
very
Welcome.**

Hilton feels you should be able to take fast, efficient service for granted at a first-class hotel.

But we believe friendly faces are equally important. Service with a smile isn't just a cliché at Hilton. Our people let you know your business is appreciated. You're not just another customer. You're a welcome guest.

For reservations, call your travel agent or 1-800-268-9275, in Toronto, 563-3771.

HILTON INTERNATIONAL CANADA

DATELINE: ANNAPOLIS ROYAL, N.S.

Voices against the tide

The unpretentious, grey concrete building sits beside a causeway near the mouth of Nova Scotia's Annapolis River. But the Annapolis Tidal Power Plant, the first of its kind in North America, is the focus of a simmering controversy. Late last August, 150 Nova Scotia clam diggers picketed the plant, carrying placards that said, "Close the dam, save the clams." The diggers claim that the

and ocean (DFO), expected late this fall. Reid Curry Edwards, president of the Basin Clam Diggers Association, "If DFO finds a link between the power plant and declining clam landings, we will seek a court injunction to have the plant closed."

Until recently, the clam fishery in the basin had been an important, but low-profile industry. It employed hand-



Digging for clams, erosion, sedimentation and steadily decreasing catches.

plant is generating silt, which is destroying the clam beds of the Annapolis Basin. Dennis Ansel Wilkins, who has dug for clams in the basin for 43 years, "I had coming down from the plant is smothering the clams. Our industry is being wiped out."

Operated by Nova Scotia Power Corp. (NSPC), the experimental single-turbine plant is a showpiece for the provincial government—and a critical part of its plan to develop tidal power projects that generate electricity from the ebbing and flowing of the Bay of Fundy. The crash of the outgoing tide turns a turbine below the plant which in turn can generate a peak output of 26 megawatts of electricity. But there have been complaints about the plant ever since it started up two years ago. In addition to charges that clam beds are being buried, many homeowners up stream claim that raised river levels are causing increased erosion and flooding. At parties are now awaiting the preliminary results of a study by the federal department of fisheries

men—who remove the clams from their shells—and workers at small processing plants. Now, however, the number of clams has sharply decreased. As a result, Edwards said, 250 jobs have been lost.

According to two studies, the area's share of the provincial clam catch has declined from 69 per cent in 1980 to 28 per cent in 1986. "Five years ago one day brought in 300 lb of clams dug at one low tide," he said. And he estimates that over the past five years revenues from the seasonal fishery have de-

BUSINESS TYPES



ROLAND PRINTERS. THE SMART BUSINESS CHOICE.

You're sure to find the business printer that's just your type from Roland DG's outstanding selection. There's a choice of nine models, from the PK 1110 office workhorse to the PK 2630. Roland's 24 pin letter quality printer. And every one features a convenient fast switch right on the control panel.

Roland also has a full line of monitors, plotters and accessories. And superior performance and value is backed by strong guarantees and Canadian-wide customer service. All part of Roland DG's commitment to computer peripherals and the people who use our products.

Make a smart business decision and call one of the numbers below for more information or the name of the Roland/DG dealer nearest you.

Roland DG

| | | |
|---|---|---|
| 1-800-555-5555 247 York Ave. Unit 100 Mississauga, Ont. L4V 1P7 | 1-800-555-5555 247 York Ave. Unit 100 Mississauga, Ont. L4V 1P7 | 1-800-555-5555 247 York Ave. Unit 100 Mississauga, Ont. L4V 1P7 |
|---|---|---|



COINTREAU

Try it on its Orange never tasted more sublime



closed by more than 50 per cent in an average of only \$5,000 per person annually, even though prices have increased dramatically.

NRCC managers deny that the plant is responsible for the deterioration of the estuary grounds. Staff spokesman Maurice MacDonald: "There is no evidence whatever in the operation of the plant to claim decline." Indeed, 580 biologists say that clam catches in the area were steadily declining even before the plant became operational. Studies initiated by the federal government and NRCC in the spring of 1987 may help to settle the debate. In their examination of sedimentation and its alleged effect on clams, scientists have initiated ground surveys of the clams on the tidal flats. "We have found some places where silt is more abundant and clams less abundant than in the past years," declared one biologist David Stewart. He added that although sedimentation may kill clams, it is not yet clear whether the problem in the Annapolis Basin can be attributed to the plant. Preliminary reports, he said, indicate "that there is not enough energy in the estuary alone to transport eroded material into the basin below."

Indeed, it is not clear whether water levels in the river have risen since the tidal power plant became operational. The causeway, built in the early 1960s, has slater gates that previously allowed the level immediately upstream to be maintained at two to eight feet above sea level. Now, according to the NRCC, the level is kept at six feet above sea level. Still, biologists maintain that erosion has increased—and the NRCC has offered to compensate most of the 580 landowners along the river. And it has settled with some of them, among them David Weber, whose house suffered a cracked foundation and shifted toward the river as a result of erosion.

But some local landowners—as well as the clam diggers—say that their complaints are still not taken seriously enough by appropriate federal and provincial government agencies. Michael Black, for one, who owns the Annapolis River Campground 21 km upstream from the plant, claims that he has lost five metres of riverbank because of erosion. But, said Black, repeated calls to government agencies brought no results, and his lawyer has only now been able to initiate settlement negotiations with the NRCC. Said Black, a former US citizen: "I gave up my American citizenship to become Canadian. If I had known I would be treated this way, I would definitely think again." Added Edwards: "It is a sad situation when the government is so inactive."

—DAVID BOLT in Annapolis Royal

FREE TO GO



The people, the technology and the vision. National Pagette, at your service with better ways to keep in touch for over 25 years.

This dedication to quality reliable service is seen in our over 1000 experienced employees. It's also evident in our commitment to innovative technology with nationwide paging and Skytel, breakthrough public phone communication from airplanes. You're free to go with National Pagette. Canada's largest message management network with superior pagers, voice mail, electronic mail, telephone answering services and air to ground phone communication.



Better ways to keep in touch.

Service over 100 communities through 38 franchises and dealer service centres.



CALL FOR 15 DAY FREE TRIAL
1-800-268-7929
TOLL FREE
630-1175
EDMONTON
424-3141
MONTREAL
1-800-261-5203
VANCOUVER
689-1521

A lingering horror

With its caving, tree-lined streets, historic inn and thatched-roof cottages, the quiet market town of Hungerford was an emblem of traditional English village life. But on the afternoon of April 19 a 17-year-old gun collector, Michael Ryan, shot and killed a young mother who was picnicking in nearby Smeeth Forest with her two small children. Dressed in casual fatigues and armed with a pistol, a semi-automatic Kalashnikov assault rifle and a carbine rifle, Ryan then headed on a five-hour killing rampage that did not end until, surrounded by police in a local school, he killed himself. By then 16 people were dead—including Ryan's own mother—and 34 others were wounded. Nine, two months after the tragedy, Hungerford still bears visible reminders of the worst mass shooting in modern British history. And many of the town's 5,000 inhabitants are still struggling to come to terms with the five hours that destroyed the idyll of their little town.

Charlton, a town in the 14th century, the Berkshire centre had become a

popular weekend retreat for many people from London, 500 km to the west. They came to browse in the many antique shops or fish in the nearby River Kennet, one of Britain's most famous trout streams. Now, however, many of the visitors are drawn not by Hungerford's serenity and old-world charm but

Many Hungerford residents are still trying to come to terms with the worst mass shooting in modern British history

by the haunting memory of the recent violence. For their part, many residents decline to discuss their ordeal in public. Some admit that they are now afraid to go out alone. Others have suffered psychological problems. But most say that the experience has actually drawn the community closer together.

The physical scars of Ryan's rampage

are evident in many places. His mother's well-kept house, which Ryan set ablaze at the height of the outrage, has now been razed by the district council. The clock tower of the 19th-century town hall on High Street is draped in a huge red and white banner calling for donations to the Hungerford Tragedy Appeal, a fund set up to help those who were wounded and relatives of those who died. So far more than 25 million has been collected, with donations arriving from as far away as Canada and Australia. Meanwhile, in a cemetery on a grassy hillside just north of the town, tiny wooden crosses and flowers mark the graves of many of Ryan's victims.

In part, residents' reluctance to talk about the violence is a result of what many people say was the insensitivity of the hordes of British and foreign journalists who poured into Hungerford to report on the grief-stricken community. There were even rumors that some Fleet Street reporters had offered money to young children in order to coax them into talking about the tragedy. "A lot of people were dreadfully upset by the way the media came in," said Anthony Stacey, 58.

Stacey, a retired social worker, runs the Hungerford Family Help Unit, a clinic set up by the local government immediately after the crime to offer advice and counselling. So far about 500



The Ryan house immediately after the rampage: a stronger sense of community

people have approached the clinic for help in coming to terms with the tragedy, Stacey said. Many of them have suffered symptoms ranging from insomnia to loss of appetite and frequent headaches. A few people, mostly elderly, are now afraid to leave their homes alone, Stacey added. "We are not very good in this country at dealing with be-

lievements. Too often people hide their emotions. We keep having to tell them that the best way to deal with their feelings is to get them out in the open."

At the same time, many longtime residents say that the tragedy has strengthened Hungerford's sense of community. John Newton, 48, who owns a bakeshop on High Street, has lived in

the town since 1962. Over the years he has watched Hungerford undergo a steady transition—from a thriving agricultural centre to a bedroom community for people who work in London. Said Newton: "People started to feel that we were getting too big and impersonal. This tragedy has shown that our community spirit is alive and well." Added housewife Sylvia Whitty, 65: "I think it has become a more caring town. People are constantly stopping to ask each other if everything is all right. I suppose it won't last forever—but some good friendships have certainly been made."

Still, Whitty readily admits that she no longer feels completely safe. "I never dreamt that anything like this could happen in a place like Hungerford," she said. "I do feel a bit nervous now." But local officials said that they do not know of anyone who is planning to leave because of the massacre. "There are things when you wonder if you are ever going to forget what happened here," said one middle-aged woman. Seated in the living room of her two-story house, only two doors away from where the Ryan family home stood, she added: "Some of our friends were killed, but what good would it do to run away? Ryan is gone forever and life must go on."

—ROSS LIVER at Hungerford



WORLD'S FIRST
TRANSPIRANT CAMERA

INTRODUCING POLAROID SPECTRA SYSTEM ONYX

THE ART OF PHOTOGRAPHY HAS NEVER BEEN SO CLEAR.

The new Polaroid Spectra System Onyx is an instant classic: the world's first transparent camera. Now you can see the art of engineering behind your photographic works of art. It is a masterpiece of precision. The camera's sophisticated sonar ranging system full information viewfinder dual silicon light metering system and automatic fill flash work in perfect harmony with the advanced Spectra Instant Film. The results are instant. Pictures you see and like. We guarantee them. The Polaroid Spectra System Onyx. Clearly as beautiful as the pictures it takes.



POLAROID SPECTRA SYSTEM ONYX
WE TAKE YOUR PICTURE SERIOUSLY

Raising hell in Texas

To most of the guests gathered on a Saturday evening last month at the 70 Ranch near Buda, Tex., 40 km northwest of Austin, one of the few things were enjoyable was the barbecued buffalo meat was the Texas-brewed Shiner Beer. The ranch, with its wild deer and fragrant mesquite trees, provided a casual setting for a lively discussion of national politics. Just 120 km away lies the hill country grave of former president Lyndon Johnson. And the relaxed get-together—held to enable local residents to meet Democratic presidential contenders—was a signal from Jim Hightower, another Texas Democrat, that he intended to be involved in setting the tone for the 1988 election and in winning Texas back from the Republicans.

Hightower's \$35-a-plate supper drew a highly diverse coalition of Democrats—senators and their children mingled with two declared candidates for the Democratic presidential nomination, Representative Richard Gephardt of Missouri and Illinois Senator Paul Simon. But the real star of the night

was Hightower. The rail-thin 44-year-old Texas agriculture commissioner has a strong reputation as an agricultural reformer. And the support of the self-styled "kick-ass populist" will be critical to any candidate trying to win the Texas primary next March 8. Indeed, political analysts say that they expect Hightower to challenge Republican Senator Phil Gramm for one of the state's two U.S. Senate seats in 1990.

Hightower's infectious energy may succeed in polling Texans—who voted for President Ronald Reagan in 1980 and 1984—back to their Democratic roots. But it is his tireless advocacy on behalf of what he has called "our most productive people, the family farm operators," that has made him a favorite in the farm belt. Since 1985, 44,900 farms have gone out of business in Texas—

97,000 in 1985-1988 alone—despite a recent nationwide recovery in the retail and manufacturing sectors. Hightower blames the Reagan administration's neglect for the decline of the struggling small businessman. "The Republicans say, 'Get yippie, get happy, buy yourself a Cuisinart—and don't wave in next door,'" and Hightower, expanding on his concern, says that the Reagan years have resulted in more benefits for the rich and fewer for the poor.

"It's not enough just to care about the greed of the few," he declared.

Hightower has transformed the once-ineffective agriculture department into an innovative marketing agency. This year the department received \$9 million to promote products including Texas blueberries and buffalo meat. Hightower learned his skills as a small-business advocate during his early years in Washington as an aide to former senator Ralph Yarborough, another Texas populist. A political science graduate of North Texas State University, Hightower spent 30 years in Washington before returning home in 1977 to attack



Hightower: wide appeal

*Whatever you say,
say it with style.*

It's all a question of personal flair. Make your statement with Targa, the last word in elegance, from Sheaffer.

SHEAFFER
Look for the white dot...
the symbol of distinctive design.



THE BIG NEWS IS THAT CANADIAN BUSINESS CLASS GOES TO 32 CITIES ACROSS CANADA AND AROUND THE WORLD. BUT IT'S THE LITTLE THINGS YOU'LL REMEMBER.

Little things like the convenience of being able to book your seat in advance.

The cheery smile that greets you as you speed through the dedicated check-in.

Little things like the priority treatment we give your baggage.

The premium wines, complimentary drinks and fine cuisine served on fine china.

Little things like mouth-watering, chocolate-covered cherries

offered on a silver platter.

Call your Travel Agent or Canadian Airlines International. And experience the delights of Canadian Business Class.

Canadian Business Class
ACROSS CANADA, AROUND THE WORLD.

Living up to its image.

the state's corporate monopolies as editor of the Austin-based *Texas Observer*. Two years later he narrowly lost his first bid for office, for a seat on the Texas Railroad Commission, but won in a landslide as agriculture commissioner in 1982—and again in 1986.

Now Hightower is gearing up for 1990 and what may be his toughest fight yet: a Senate race. He must unseat Grasso, the high-profile coauthor of the hard-driving 1989 Grasso-Rudman deficit reduction bill. But supporters such as Senen are backing Hightower. "The looking forward to the day when you can call him Senator," said a housing official. And the \$300,000 raised for Hightower at the barbecue will get his campaign off to a healthy start.

Hightower does have detractors, chiefly the heads of agricultural conglomerates. They are still complaining about the extra costs of Hightower's landmark pesticide guidelines regulating the use of chemicals harmful to farm workers, which he successfully introduced into state regulations in 1983. "He lived up to what he said he would do," declared Adams, Tex., mayor Rudy Villareal. And Hightower has been praised as a chief author of the Election-Gerrymandering bill—dubbed the Save The Family Farm Act—currently before Congress as a possible replacement for Reagan's ending farm aid, which must be replaced in 1990. Hightower claims that the Democrats' bill could save taxpayers the estimated \$16 billion paid out under the current act last year in subsidies to farmers by raising the price of grains to match production costs. Another \$16 billion, spent to buy and store extra grain, would also be saved, Hightower claims, by adopting surplus limits.

But one of Hightower's most important new challenges is to get a Democrat in the White House. The conservative has not officially come out in support of one of the six declared would-be Democratic nominees. But to those in the Saturday crowd, his gift of a replica of his own straw cowboy hat to Senen seemed to suggest that he favored the Illinois senator. Whatever the outcome, there is little doubt that the help that Hightower can give to a strong presidential candidate will pay off—perhaps even in his own Senate race. "If anybody can beat Grasso, it's Hightower," observed Ty Fair, a congressional spokesman for Massachusetts governor and presidential hopeful Michael Dukakis. Added Fair: "Candidates who win in Texas raise hell. These rednecks vote with their guts." Indeed, Hightower's straight talk may swing Senen the Democrats' way.

—PAUL GREENE in Fort

IN 1984, HYUNDAI MADE TWO PROMISES.

WE KEPT THE FIRST AND NOW WE'RE KEEPING THE SECOND.

When we came to Canada, we promised you value.

We delivered it in Hyundai Ponys, Stellers and Excels with more no-extra-cost quality features than anything else in the same price range.

We also promised long-term owner satisfaction.

And we mean it.

We want you to feel as good about your Hyundai today as you did when you bought it.

So we're introducing the Hyundai Quality Reassurance Program.

We've identified a list of components that might possibly need attention as your car approaches middle age.

And we've instructed our dealers to take care of anything on that list which should be repaired or replaced.

At our expense.

It's a program for everyone who owns a 1984, '85, '86 or '87 Hyundai Pony, Stellar or Excel which was registered as a new car any time within the last 36 months and which has been driven less than 60,000 km.

Next time you take your car to a Hyundai dealer for servicing, every component on the list will be checked. Necessary repairs and/or replacement of the items listed will cost you nothing.

Nothing for parts. Nothing for labour.

Please understand that this is not a model recall.

It's reassurance which you probably don't even need.

It's our way of letting you know that at Hyundai, we keep our promises.



The Hyundai Quality Reassurance Program covers '84, '85, '86 and '87 models for 36 months or 60,000 km (whichever comes first) from the date of retail purchase. It applies only to cars which have been responsibly serviced and cared for. Only genuine Hyundai parts and components will be repaired or replaced under the Program. Work which has already been completed prior to September 1, 1987 (in or out of warranty) is not covered. Cars which have been used as commercial vehicles are excluded. This Program does not preclude or supersede warranties purchased by consumers.

Some of our best engineering ideas are collecting dust.



And dirt and lint and cat hair and just about anything else that collects around the house.

We set out to build vacuum cleaners that would simply clean better. Vacuums that are intelligently engineered vacuums that are built

to last.

An example of our engineering abilities is shown on the right. It's an innovation we built into all our vacuum cleaners. It's called the Triple Filter System.

The three filters work to catch dirt and dust as it passes through the vacuum. So only thoroughly filtered exhaust air flows back into the room.

The filters protect the motor too. By stopping dirt and dust, only cool, filtered air passes through the motor and fan chamber. Cool, clean running motors last longer. And a longer lasting motor makes for a longer lasting vacuum cleaner.

The Triple Filter System also allowed us to put our unique accessory port on the back of our upright vacuum instead of on the bottom.

Not only is the backport more convenient, but it also contributes to better cleaning. The attachment tools are sealed tightly into the backport. And because the backport is located directly in the suction path, you get 100% suction for bare floors, stairs, drapes and upholstery.

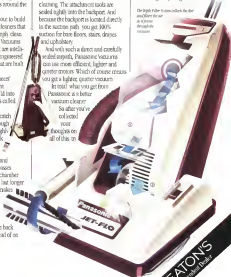
And with such a direct and carefully sealed suction, Panasonic vacuums can use more efficient, lighter and quieter motors. Which of course means you get a lighter, quieter vacuum.

In total, what you get from Panasonic is a better vacuum cleaner.

So after you've collected your thoughts on all of this, try

out a vacuum that'll do the job collecting everything else.

The Triple Filter System collects the dirt and filters the air as it passes through the vacuum.



Panasonic
just slightly ahead of our time

CALL 800-IF-EATON'S
and we'll help you find the perfect vacuum.

Q&A: PRINCE SAUD

From a closed kingdom

As Saudi Arabia's minister of foreign affairs, Prince Saud al Faisal al Saud has travelled extensively and enjoys a good rapport with many world leaders. A graduate of Princeton University, where he earned a B.A. in economics and political science, Prince Saud, 47, previously held the post of deputy minister for petroleum affairs in his country's ministry of petroleum and mineral wealth. Saud, who has been foreign minister since 1975, is a nephew of King Faisal and a son of the

country. The danger (in the Gulf) emanates from the threat of Iran—not only to shipping, but to its neighboring countries. This is what creates volatility and insecurity in the region, and this is a threat that has to be dealt with. It is not the threat of government in Iran that is the threat, it is the actions that Iran is undertaking in the Gulf and with its neighbors that is threatening stability. **Muchnik's Saudi Arabia column** offers a neutral analysis.



Prince Saud: working for an end to the Gulf conflict

country's late King Faisal. Muchnik's *Oilman* interview with Prince Saud during his recent visit to Ottawa.

Muchnik: Before the Iranian revolution Iraq was often viewed as the real threat to the Gulf. Could it not be equally dangerous if Iraq—which you support in its war with Iran—is victorious?

Saud: The danger does not emanate from whatever form of government such country desires for itself. The danger emanates from that country trying to impose its system of government or its will or its interests on independent countries. Nobody objects to what the system of government in Iran. Nobody objects to what the system of government in a Iraq. But nobody can have the right to determine what system of government is applied in a neighboring

Saud: We are not part of the conflict. We are in support of terminating the hostilities. We do not want a settlement in which the interests of one side are sacrificed for the interests of the other. We want the war to end, not because we support Iraq but because we want peace in the region, and we believe peace can only be established if the interests of both Iraq and Iran are maintained. Indeed, our full support for Resolution 598 by the United Nations—which called for an immediate ceasefire and for Iran and Iraq to help implement mediation efforts—emanates from the perception that the resolution reflects and takes into account the interests of both belligerents.

Muchnik: Do you see any signs that Iran will abide by the UN resolution?

Saud: The signals from Iran are not very encouraging. Everybody hoped that it would accept the resolution, but I now think that the responsibility is on the shoulders of the United Nations Security Council. Resolution 598 includes all the elements that are for the interests of Iran as much as they are for the interests of Iraq. The Security Council must resume to try to implement the resolution even if this leads to sanctions against the country that refuses to implement it. This is part of the UN Charter that is accepted by both antagonists. If the UN carries its responsibility, I think there are good prospects for seeing at least the beginning of the end to this conflict.

Muchnik: Will there be a solid united Arab front against the Iranian position of the recent Arab summit on Nov. 27?

Saud: I think there will be a solid Arab front. We hope that it will not be over

Now, the best business news is the easiest to access!

ANNOUNCING The Financial Post ELECTRONIC EDITION



The Financial Post is now online. The money you sign on, you have instant full access to all news of The Financial Post since January 1986.

By using simple but sophisticated searching techniques you can—

- Find all stories written recently on a topic of interest
- Follow trends in a particular industry
- Monitor your competitors
- Track corporate appointments
- Review a business columnist's views on a controversial subject
- Link articles on investment strategy

Furthermore, a host of special features help you find specific information with ease. Features such as—

- profile fields to help you zero in on major stories at a glance
- summary placeholders for more complete searching
- online help screens for instant assistance
- preprogrammed commands to find you through a procedure
- instant access to some of your online archives

FP Online is designed to give you cost-effective and successful search sessions. In your hands, it will be a powerful business tool!

For more information,
call (416) 596-1581

FP ONLINE

The online edition provided
The Financial Post
INFORMATION SERVICES
McGraw-Hill Canada Building, 777 Bay Street
Toronto, Canada M5W 1A7

Why Panasonic engineers are ready to go the extra micron.

Look into Panasonic engineering.



Some things may look good. And feel good. But if it's not well engineered, a product will

leave a bad taste in your mouth. Or an ugly noise in your ear.

That's why last year Panasonic and its associated companies invested over two billion dollars in research and development. To create precision-engineered products that work better, and last longer.

Engineered components

Many electronic products today are assembled entirely from other manufacturers' parts. That's not the way at Panasonic. To make sure that every component meets our standards of quality, we design and manufacture most of them ourselves.

Materials are important, too. Rigidity is essential in the frame of a VCR, that's why Panasonic uses die-cast aluminum zinc alloy. Low friction helps tape deck parts operate better, that's why Panasonic uses Teflon. Precious metals resist corrosion longer in switch contacts, that's why Panasonic uses gold.

Panasonic engineers choose the best material for the job. Not the cheapest.



Engineered assembly

Dimensional tolerances required by Panasonic engineers are so precise that conventional produc-

tion techniques and machinery couldn't hope to achieve them, consistently. So we design and build our own production lines.

Today, Panasonic is a world leader in automated production. Not to cut costs, but to raise quality. "Control production," say Panasonic engineers, "and you control quality."

Engineered design

To make Panasonic products work better and last longer, our engineers have to be inventive, creating new ideas and new techniques. As a result, our 22 Research and Development centers have been awarded over 60,000 patents. Each new idea is a step towards better sound, crisper pictures and faster food.

Works better for longer

The 18,000 engineers who work at Panasonic work towards a single objective: To make a product that works better and lasts longer. That's an approach to engineering that keeps us just slightly ahead of our time.

*Precision Robotics for
Dimensional Tolerances*



When you're looking for an answering machine that lasts, the message is loud and clear.

Look into Panasonic.



*Superior Materials
for better performance*

If you could look inside a Panasonic telephone answering machine, you'd see how Panasonic engineering creates quality and longevity. You'd see metal-framed speakers. Plastic-framed speakers would be more usual, and cheaper. But Panasonic knows that you like your important messages to come across loud and clear. So we use metal.

It's logical.

You'd see long-lasting micro-processors in place of mechanical switches and linkages. The microprocessors are part of the Auto Logic system, which allows you to control the machine by touching a single key. Auto Logic makes the machine easier to use, and by eliminating parts that could wear, makes it easier to use for longer.

Voice-activated circuits.

You'd see sophisticated circuitry that'll make your life simpler.

VOX, for example. Some answering machines cut off the caller after a time set by the manufacturer. Panasonic

Also, some interesting developments in remote control. Most Panasonic answering machines allow you to pick up your messages from a remote location. But

that's just the beginning. From any push button tone phone anywhere in the world, you can also erase some messages, keep others, change your outgoing message, even listen to what's going on in the room!

Works better for longer

When you shop for an answering machine, be sure to look into the latest Panasonic models. They offer different combinations of features, but they have one thing in common: Engineering that makes them work better, and last longer. The same reason that Panasonic is just slightly ahead of our time.



*The All-Storm Answering
Technology - Model NMT 79622*

engineers think you should be making that decision. Voice activation, or VOX, turns off the recorder when the caller stops speaking or hangs up. That's good engineering. And good manners.



*A Full Line of
Personal
Communication Products*

Panasonic.
just slightly ahead of our time

Panasonic.
just slightly ahead of our time

Iran. We hope that by then the Iranian positions would have evolved into an acceptance of the new treaty and an agreement to stop its threat against the other Arab countries of the region. Should that not happen, I am sure that the summit will face its responsibility in this regard. We expect to see a settled Arab decision taken.

Maclean's: There have been reports that your country has given money to the Nicaraguan contras of America's request. Are you doing the Americans' dirty work?

Saad: We denied that, of course. It cre-

ated an unfortunate situation, but when something like that is published without substantiation, what are you to do? All that we can do is to deny it. But unfortunately people continue to say and publish things that are unsubstantiated; that is a fact of life. We stand by our denial.

Maclean's: Domestic pressure has forced President Ronald Reagan to banish the sale of some high-tech weapons to Saudi Arabia. Is that a breakdown in light of your close relations with the United States?

Saad: I would not agree with the de-

scription of humiliation. A relationship between independent countries is based on law, for both countries want to go, not just how far the country wants to go. We do have military requirements for self-defense. If the United States is willing to respond to them, that is well and fine. If they are not going to respond to them, that of course depends on the machinery of U.S. decision-making. And we do not use any humiliation in that—no more than in the Canadian relationship with the United States if everything that Canada wants from the United States is not responded to. That is not humiliation to Canada—it is more of a relationship between independent countries. We cannot ask the United States to respond to everything that we want, and I do not think that they expect us to respond to everything that they want just because they want it.

Maclean's: What will result from your trip to Canada?

Saad: This was a process of discussion. We signed an agreement for economic co-operation between our two countries that will provide a framework for the development of economic activity, not just in trade but in areas such as training, education and other economic spheres. Those include investment and partnership in joint ventures. We have developed a good framework for that type of co-operation. The value of that was recognized by the business community and by both governments. I think the future will lead to very solid co-operation between our two countries.

Maclean's: On August 18, 22 Canadian flight attendants were arrested in your country because they consumed alcohol at a party. Do incidents like that damage relations between our two countries?

Saad: These are unfortunate incidents. I do not think there is any lasting influence on relations. We have quite a large Canadian community in Riyadh, and one incident like that is indeed a rare occasion and will not influence relations.

Maclean's: Why does Saudi Arabia not present a more united face to the world?

Saad: Society in Saudi Arabia is developing extremely and openly. We put a lot of stress—not only the government, but the people—in the education that will get on through the economic development that we are undergoing. I would describe our society as a cohesive society rather than a closed society. It may not be the same as a Western society. Saudi Arabia is an important country not only for its oil reserves but also for political development. This is why I think we are developing in the right path, and that gives us also the optimism that whatever tensions arise in the development process, this will be done within the idea of a cohesive society. ♦

If GoldStar can give a chip this size the capacity of a human brain, imagine the kind of VCR we make.

This chip would need 15 billion transistors to equal the number of human brain cells.

Not long ago, people would have said it was impossible. Yet, turning the impossible into reality is what makes GoldStar a pioneer in electronics.

Even our more conventional products show remarkably innovative thinking. Who would have thought years ago that a VCR could have stereo sound, ringing advanced digital stereo so soon? Or a 100-channel converter that keeps its memory even if disconnected.

Features like these are standard with our new Stereo VCR. As in High Quality Video Enhancement Circuitry for the sharpest picture and a memory scan of multiple channels.

And, while our technology plays an important part in design, it also does a lot for the quality. Considering this Stereo VCR has 5,000 precise components, it's no wonder we spend countless hours testing its durability and performance in our GoldStar laboratories.

All of which proves one thing. Advanced thinking at GoldStar doesn't just contribute to the future of electronics.

It contributes to the future of your VCR.

GoldStar
THE BRIGHTEST STAR IN ELECTRONICS.
The brightest star in electronics.

The War Amputations of Canada presents:



The Nakiska Kids, with Karl Hiltinger (centre), double-leg amputee and well known as the "silver-haired skier" on our T.V. messages.

In a new film called The Nakiska Kids, 17 members of The War Amputee Child Amputee (CHAMP) Program from across Canada challenge the slopes of Nakiska in the Canadian Rockies — site for the alpine events at the 1988 Winter Olympics.

The Nakiska Kids captures the spirit of the Olympics — fostering world peace. This reinforces The War Amputee NEVER AGAIN message about the horrors of war.

The Champs take up the veterans' cry to outlaw war by performing a ski routine that spells the words NEVER AGAIN.

The Nakiska Kids is available on loan, free-of-charge, by contacting the address below.

The War Amputations of Canada is a registered charitable organization operating by amputees for amputees on a non-profit basis. Should you wish further information, please do not hesitate to write to: The War Amputations of Canada, 444-4444 from area codes 416-416-4164 or 1-800-268-0071.

Donations address:
The War Amputations of Canada
444-4444
146 Marine Street
Toronto, Ontario M5S 1A5

The War Amputations of Canada (permitted) selling

Wholesale and retail. Minimum quantity and price restrictions. Please contact us for further information.

Charitable Registration Number: 98667-96-01

Montreal's Grandest Host



Le Grand, downtown Montreal's complete independent luxury hotel, is also this city's grandest host. Le Grand welcomes you with an impressive choice of rooms and suites, the comforts of Le Parc, an executive floor, non-smoking floors, modern health spa and pool, plus Chez Antonio, Montreal's newest gourmet dining place, and it's Belle Époque lobby and Le Tour de Ville, the city's only revolving rooftop restaurant.

Le Grand Hotel welcomes companies to experience the many benefits of its Corporate Program. North America's most comprehensive. Spacious meeting rooms, the city's only business hotel auditorium. Le Grand is this and more.

For individual reservations, tours, meeting space and/or to register for our Corporate Travel Program, call (406) 923-7342, or dial our toll-free number 1-800-361-8855.

**Le
Grand
HOTEL**

1775 Avenue Deslauriers, Montreal, Quebec H3C 2S7
Grandest host in the city

Your business partner in Montreal

Princess Hotels
A Grand Hotels Company

Follow-up

Lottery for a new life

Not a gambler by habit, Daniel Casse says he knew that the odds against him were huge. But when he learned last December that under a new U.S. law 10,000 visas would be issued on a lottery basis to applicants from 38 countries including Canada, he decided to send a letter to the appropriate Washington, D.C., box number between January 26 and 27. "My lawyer kept telling me it was a waste of time," said the 38-year-old Torontonian. But just March an astonished Casse received a visa application from the immigration office. His letter had been selected from among 900,000 received. "I was confused at first—they don't send you a warm, welcoming letter," and Casse, who returned to Harvard University—where he is doing graduate work in politics and economics—after obtaining his visa earlier this month. "But it means that after graduating I can work in the United States."

Casse shared the luck of the draw with 2,007 other Canadians who were selected at random in the second lottery. The non-preference visas—known as green cards—permit foreigners to work in the United States if they have enough savings or a solid job prospect. The costume lottery was an attempt to redress past discrimination—previously only people with U.S. family connections or skills in short supply were given preferred entry, and no non-preference visa had been issued since the late 1970s. "We weren't prepared for the level of interest," said Barbara Moore, spokesman for the U.S. consulate in Toronto, of the estimated 75,000 Canadians who applied. "The phones rang nonstop."

Many applicants refused to publicly discuss their reasons for wanting to move to the United States. But according to one person who lost the lottery and asked to remain anonymous, "It seemed like an open door—I was miserable in my job and could have used a new start." For his part, Casse declared, "Canada has its good qualities—it is more peaceful—but the quality of intellectual and political life is far superior in the United States." Meanwhile, in five years Casse and other winners will have the opportunity to become U.S. citizens. Said Casse: "It's going to be a tough decision."

—JILLIA BENNETT in Toronto

Some revealing fax on what makes Ricoh number one* in Canada. And the U.S. And Japan.

Ever since we invented the first high-speed facsimile machine in 1973, we've been adding an impressive list of facts for the benefit of our customers.

We were the first to introduce digital fax to Canada. The first with nationwide fax dedicated factory service support. The first to offer the network approach to digital fax communications. The first to introduce programmable memory and broadcasting capability.

And that was just the beginning. Today, we offer state-of-the-art products with features that bring a whole new dimension to your business communications.

For smaller, more economical applications, Ricoh is also introducing a new line of lightweight, compact desk top machines. Highly affordable, highly efficient.

As you can see, there are many reasons why Ricoh sells more fax machines than anyone else in Canada. (Or in the U.S. or Japan.)

For a better look at the industry's simplest change of



The FX200 (the world's first "walking" fax), one of 8 different, peerless desk top models now from Ricoh.

For a demonstration, give us a call at 1-800-267-7061. (In Toronto (416) 693-3131). Or send us the coupon. And we'll show you more revelations you'll be glad to know about.

* According to a Data Research Corporation, Ricoh was the leading vendor in 1990 worldwide according to Canada. (Source: The Japan Fax 1990, 1991 publications under studies conducted under the name of FAX Japan 1990, 1991). © 1991 Ricoh Company, Ltd.

| | |
|---|--------------|
| RICOH Corporation/Canada Ltd. | |
| 18 Edmonstone Road | |
| North York, Ontario M2N 1K3 | |
| Name Title _____ | |
| Company _____ | |
| Address _____ | |
| City _____ Prov _____ Postal Code _____ | |
| Telephone _____ | RICOH |

1 IN HIGH-SPEED FAX SINCE WE INVENTED IT. **RICOH**



France sends the world her best.

Hennessy: the original X.O.

COLUMN

Cashing in on ill-gotten gains

By Diane Francis

Luis Pato was a valued customer of the Royal Bank of Canada's affiliate in Colombia, a prominent businessman and elected member of that country's Senate. But Pato was arrested by the FBI in 1983 for his role in a massive scheme to launder profits from cocaine smuggled into the United States. While co-operating with U.S. officials, he confessed a great deal about his operations—including the fact he had stolen away some \$726,000 in the Royal Bank's main branch in Montreal under the name of his Spanish in-laws.

Canadian drug enforcement officials fought the Royal Bank to secure over the money, under secure provisions in the Criminal Code that allow the proceeds of crime to be recovered. But the attempt to seize the funds was disallowed in 1985, underscoring the fact that current Canadian laws for prosecution when it comes to conducting the world's drug trade. "We couldn't use any process to acquire possession, and money was transferred back to Spain," Chief Supt. Rod Stenler, national head of RCMP drug operations, told *Moneyline*.

Pato was murdered in August, 1985, in a motel outside St. Petersburg, Fla., by hired Cuban assassins. His case provided the best example yet of the fact that, although the Ministries may get their act, when it comes to drug prosecutions they rarely get the money. Indeed, the Pato story clearly showed the inability of Canadian authorities to seize bank accounts, even though under the Criminal Code's Section 384 it is illegal to "possess the proceeds of crime knowingly." The Royal Bank's lawyers argued that bank deposits were not tangible assets but rather the bank's IOU to the depositor. The courts ruled against the Ministry, and the funds stayed in the bank. Meanwhile, Pato had been jailed and fined in the United States, and the U.S. Treasury department tried to collect the fines by filing suit in Canada against Pato's in-laws, in whose names the money was still held. After Pato's death his in-laws and U.S. Treasury officials settled out of court, leaving Canadian officials out in the cold.

In the United States, draconian nation-sterming laws allow courts to virtually bankrupt members of organized crime. In Canada, the Pato case was one of the failures on Bill C-61, a proposal designed to crack down on organized crime and the drug trade by allowing our police to seize any proceeds derived from

crime. Introduced by Justice Minister Ray Hnatyshyn last May, the bill received second reading from Parliament on Sept. 14, 1987. Now it is to be studied by a legislative committee of the House of Commons, where opposition will probably be mounted from civil rights organizations, defense lawyers and perhaps some bankers on the grounds that it is potentially dangerous because it may abridge civil and economic rights.

They are wrong. The law is not only long overdue, but it does not go far enough toward helping trust, freeze and seize allegedly derived money on deposit in Canadian financial institutions.

The backdrop to all of this is the fact that the RCMP and police worldwide have been fighting a losing battle against the world's biggest and most lucrative "business"—drug trafficking. A 1985 congressional committee estimated that sales in the United States alone are staggering \$127 billion a year, equivalent

Boats and aircraft can easily be seized, but they are nothing compared to a drug trafficker's most crucial weapon: money

to almost one-third of Canada's entire gross domestic product. Narcotics consumption is not as high in Canada as it is south of the border, but Canada is a transshipment point. Drugs flow in and money eat again, destined for the United States. The RCMP's Stenler estimates that trafficking is a \$100-billion business here—more than double what the four Atlantic provinces collect in taxes.

But police have become frustrated because current laws attack the hardware, not the financial side of the problem. Murderers are relieved of their weapons, and it is a criminal offense to be in possession of burglary tools. Similarly, laws and the courts must disarm the drug trafficker by seizing the tools of his trade, namely fiat bank, currency and insurance. Bank loans can be kindly seized, but they can be easily replaced unless laws also deprive traffickers of their most important weapons: cash and the financial assets that are the lifeblood of the drug business.

In cases, C-61 allows government authorities to seize bank accounts, cars, boats or other assets purchased with money that has come from the drug

trade or from fraud, prostitution, murder, robbery or extortion. It gives police more powers to investigate financial activity or to freeze assets until sources of revenue are identified. It will also make it possible for police to obtain highly confidential tax records from Revenue Canada, under strict controls. If such information is needed in a drug probe.

Civil rights watchdogs worry about such sweeping powers, lest those powers are misapplied because the bill requires police to first get permission from a court—the traditional safeguard against overzealous prosecutors. Others say that courts should not have that much power. But every day courts deny bail to accused persons and on occasion freeze assets that are in dispute in a lawsuit until litigation is concluded. Both powers are the heart of our justice system.

Finally, C-61 does not go far enough. It should require banks, other financial institutions, accountants and lawyers to keep records of all large transactions and to report to police all suspicious transactions. In the United States, records must be kept of any transaction of \$10,000 (U.S.) or more, leaving a paper trail for law enforcement officials trying to track down ill-gotten gains. Such reporting requirements were considered for C-61, but unfortunately Canada's powerful banking lobby beat them off, arguing that such measures were too expensive and cumbersome.

At the same time Bill C-61 gives people immunity from civil litigation should they report transactions, but unfortunately leaves the decision up to the individual—a naive proposal considering that often bank employees, lawyers and accountants could be subpoenaed in money-laundering schemes. But Justice Minister Hnatyshyn has told the House of Commons that he has been assured by the country's financial institutions that they will co-operate by voluntarily reporting suspicious transactions.

There can be no compromise when it comes to the drug trade. Society must make choices, and in this case an individual's right to financial privacy does not outweigh the risk inflicted on society by drug dealers. Banks and others should report all large, suspicious transactions. They can pass along the expense of recording transactions to the rest of their customers, a small price to pay to purge the Pato case from our system. As with politicians who must report child abuse suspicions, money handlers must be forced to help disarm drug traffickers.





Vander Zalm and wife, Lilian, dancing at convention's 1990s costume party: taking no shortcuts and most risky step

CANADA

Vander Zalm's bold plans

When William Vander Zalm was running for premier of British Columbia last year, he revealed few specific plans as policies. Instead, the charismatic Netherlands-born politician wooed voters with a broad smile and governing generalities. For a province battered by economic troubles and bitter political confrontation, the prospect of calmer times was clearly appealing. Vander Zalm routed the opposition New Democrats, taking 45 seats to the NDP's 22. But last week, as he marked the first anniversary of his election, Vander Zalm was anything but vague. Addressing his Social Credit party's annual convention in Vancouver, he announced details of a sweeping plan to restructure the government and privatize many government services. The privatization measures, Vander Zalm said,

had a firm purpose: "to create an economic environment the nowhere else in Canada, in all the world, there is a place where free enterprise is being given real meaning."

Indeed, Vander Zalm is moving forcefully to put his strong conservative views into practice. Last spring, despite an election promise to not political discord, he took on the province's powerful labor movement by introducing a series of radical labor law reforms. Now, Vander Zalm has turned his attention to reshaping government. Seized by critics as an attempt to disavow constitutional promises, his restructuring plans are a huge political gamble that could permanently alter the way the province is governed. Said Terence Morley, political scientist at the University of Victoria: "Vander Zalm's first year has been like a roller coaster. On the one hand, he dealt his liberal critics, creating

personality that attracts people. On the other hand, there is real dispute about his fantastic vision for this province."

Vander Zalm's style of governing is unique. Always a populist, he frequently holds town hall meetings in restaurants and community centres, sitting on a stool holding a microphone and fielding questions from the audience. He also hosts a monthly open-line radio show called Premier Talk. Said Thomas Pearl, one of the 1,300 Stordas who wildly applauded Vander Zalm's speech at last week's convention: "I think he's fantastic. It's just great the way he's moving ahead with the future in British Columbia. He's a great, great premier."

The 55-year-old millionaire horticulturalist also has found time to make a Jewish Christmas film record and to star in a movie called *Overboard*. Presiding, filmed partly in Holland. Based on

Vander Zalm's 18, the film tells the story of a poor immigrant who moves to Canada and makes his fortune.

For most of the year the hardworking Vander Zalm lives in Victoria, while his wife, Lilian, stays in suburban Vancouver and runs the family's \$1-million theme park, Fantasy Gardens World. The premier returns to Vancouver twice a month, on average, in spend time with his family at the park, where they have an apartment. Although the family is close, they are often forced to be apart because of the premier's heavy schedule. Said his daughter, Jessica, 20: "I see him maybe 10 to 15 minutes a week, tops. Where he is and what he's doing. I find out by watching the news."

Critics say that Vander Zalm's family style hides an impatient for one-man rule. The premier, they say, has established a presidential-style administration that concentrates power in his office. After taking power, his staff has removed 300 jobs—down from 12 to 35. But Vander Zalm's officials say that the increase in the size of the staff was justified. Federal-provincial relations, formerly handled by a separate ministry, now must under the premier's office. And Vander Zalm has more staff and more appointments than his predecessor. The premier's closest adviser is principal secretary David Poole, a former director of the Social Credit party. Poole travels everywhere with Vander Zalm and heads a committee that approves all major government findings.

Deputy ministers report directly to the premier, over the heads of ministers, and the premier sets any government contract worth more than \$500. Critics complain that they first learn government policy after it has been announced in the media and that Vander Zalm's short-from-the-top statements are often wildly at odds with what his ministers say. Disillusioned Alan Twigg, author of the 1986 book *Vander Zalm: From Immigrant to Premier*. "Nothing he does surprises me. This is such a narrow-minded, egomaniac person that he doesn't listen to people much."

Vander Zalm's tendency to make off-the-cuff announcements has also landed him in hot water. Before a cabinet meeting last week Vander Zalm announced that the government planned to pay the \$2-billion debt of the BC ferry. Vancouver's Citizens' Electoral League took the announcement—among health officials and hospital ad-



Vander Zalm, Harcourt (below): reshaping government

ministrators who have been pleading for more government funding. At the BC Children's Hospital in Vancouver alone, more than 700 staff children are waiting for treatment because a \$2.5-million deficit has meant a cutback in elective surgery. But during a three-hour cabinet meeting Vander Zalm had changed his mind, deciding to give the province's cash-strapped hospitals a special grant of \$50 million. To cover the cost, the premier said that he would have to renege on a promise to lower the provincial sales tax to five per cent from six per cent.

The premier's plans to restructure the government are almost as controversial.



leas. Said senior Lender Michael Harcourt: "It's going to mean less services for more money." But in his speech to Social Credit supporters, Vander Zalm's audience plans show standing ovations.

Inspired by British Prime Minister Margaret Thatcher's privatization campaign, which has raised \$20 billion since 1979 through the sale of government-owned enterprises, Vander Zalm set up a committee last August to study all government ministries, agencies and companies headed by Intergovernmental Relations Minister Stephen Rogers. It made a list of \$10 billion in government assets that might be privatized.

In the end Vander Zalm decided on a more modest program. In phase I of the two-part program announced last week, two Crown corporations and 11 government services worth an estimated \$3 billion will be sold to the private sector. The sell-off will affect 7,000 civil servants and save the government \$50 million in operating costs by 1995-1996. Vander Zalm said items on the block include the two divisions of BC Ryko, all or part of BC Systems Group, which runs the government computer operations, all bridges and road maintenance services, and three government laboratories. In the second phase, the government will consider turning over 150 government-run liquor stores to private business.

Officials say that Vander Zalm's plan to deconstruct the government could have even wider effects than privatization. Under the proposals, announced in September, a variety of government offices would be moved from the capital, Victoria, and be relocated in communities throughout the province. British Columbia would be carved up into eight regions, each overseen by a senior cabinet minister and a parliamentary secretary who would co-ordinate economic development and decide which government services should be located in the region. Officials say that the plan will bring government closer to the people it serves.

Quick to condemn the decentralization plan, critics argued that it would create a costly, duplicate bureaucracy and would uproot thousands of civil servants in Victoria, hurting the capital's economy. There were also fears that, rather than giving local governments more autonomy, the changes would end with Vander Zalm and his ministers sending ministers fleeing the province. Opponents charged that local MLAs who traditionally look after re-

plomat interests would be cut out of decision-making. Said her municipal adviser, editor Robla Bennett: "As in fiscal days, when you had lords of the manor, the lower-society exhaust will be all-powerful. It's a classic power-grab."

But many reports of small towns welcomed the plan. Hastings, finally, to have a greater say in economic planning for their communities, the natives said that the plan would speed up the government's painfully slow decision-making process. Said Glenelg, (Tapi) Skutumpah, mayor of Terrace in north-eastern British Columbia: "It sounds good to us. Obviously, the closer government is to us, the better."

The best news so far for Vander Zalm is that, since he assumed office, the sluggish B.C. economy has slowly picked up. According to the B.C. Central Credit Union, the province will record a growth rate of two per cent in 1987. The forest industry, the province's biggest earner, has emerged from the doldrums in spite of a new 15-per-cent excise tax on softwood lumber. Although the unemployment rate still hovers around 11.4 per cent, retail sales are expected to climb by 30 per cent this year. Still, economists are uncertain whether Vander Zalm can claim credit for the improvement. Said Richard Allen, the credit union's chief economist: "Put it this way: he has not had a negative impact on the economy."

Vander Zalm has been a strong supporter of Prime Minister Brian Mulroney's two main initiatives: the Meech Lake constitutional accord and the free trade deal with the United States. But away from First Ministers' meetings, Vander Zalm is quick to berate Ottawa's treatment of his province. Allen, who led the British Columbia political action since the days of former Social premier W.A.C. Bennett in the 1950s and 1960s, Vander Zalm has raised it to new heights. Shortly after coming to office he asked his ministry to prepare a list of grievances against Ottawa. Last month he threatened to pull British Columbia out of national dairy marketing boards unless the province's producers quota was increased. Said Vander Zalm: "We're not getting a fair shake in Confederation."

With his privatization and government decentralization programs, Vander Zalm has taken his boldstep past yet—and his next risky. Conceded the premier last week: "We are going where we've never gone before. It's a balancing act." But Vander Zalm's willingness to push ahead shows his determination to implement his conservative agenda. The politicians who once hesitated to talk about where he wanted to go now have a very mild road map.

—SANDORHARA in Vancouver



The Queen in Riverview: long greeted by a reserved politeness.

Quebec's quiet welcome

With its battle-schedule of state dinners, ceremonial openings and staged walkabouts, Queen Elizabeth II's three-day visit to Quebec last week had all the normal trappings of a royal tour. Only the heavy police presence indicated the rarity of the occasion. Except for presiding over the opening of Expo 87 and Montreal's 1978 Olympic Games, the Queen had not visited Quebec since October, 1964. During that visit, a protest rally against the Queen by 1,000 separatists in Quebec City turned into a bloody confrontation with riot police and became a watershed of the independence movement. But last week most Quebecers greeted the Queen's visit with politeness—and resounding indifference. Said Dale Thomson, a McGill University political science professor: "In 1964 the Queen was a symbol of the English-speaking New, in Quebecers, she is just not meaningful at all."

In fact, the only controversy of the visit came when the Queen praised the March 1982 constitutional accord, which has yet to be ratified by Parliament and the provincial legislatures. At a banquet on Oct. 28 in the restaurant of the provincial legislature in Quebec City—hosted by Premier Robert Bourassa but boycotted by opposition Parti Québécois leader Pierre Bouchon—she Queen departed from her usual practice of not commenting on current political matters. The accord, she said in remarks deliv-

ered almost entirely in fluent French, shows that "Canada's political leaders have contributed to achieving harmony through diversity." The text of her banquet toast was prepared by officials of the Quebec government, which strongly supports the accord.

The Queen arrived in Canada on Oct. 9 to preside over the Commonwealth leaders' summit meeting in Vancouver. On her next stop, Saskatoon, where she visited Saskatchewan, Regina, Kimberley, Canada and the Bonheville village of Winnipeg, she was enthusiastically received by cheering crowds. By contrast, in Quebec, most of the ceremonial functions the Queen and Prince Philip attended were quiet affairs. But in Riverview-du-Loup, 260 km north of Quebec City, more of the 5,000 people broke into a lively chorus of "Gloria Dei." The song is best known as the unofficial Quebec nationalist anthem, but it is also widely used to express fond welcome toward friends, and it was sung in a friendly spirit.

But for the most part, organizers considered last week's visit successful by its very standards. Said Pierre Bourassa, a quiet but often loud leader who organized the 1984 protest: "Our problems are with the English in Quebec who will refuse to speak French, not with the Queen. She simply comes for a short visit, speaks French while she's here and then goes back to England."

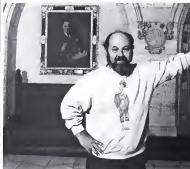
—BRUCE MALLON in Montreal

Judgment in hard-cover

The warning was prophetic. Donating Brian Mulroney's successful 1984 campaign for the Conservative leadership, his campaign manager, John Thompson, wrote his boss a memo explaining why some Tories were reluctant to vote for him. Said Thompson bluntly: "They don't trust you." Now, four years later, a spate of political books has focused new attention on

and around 20 Senate Tories that Hay's blows are probably the most damaging not because he reveals new scandal but because he chronicles the sufferer's case in such a damning way.

Friends in that room was reconstructed ever before it rolled off the presses of Toronto's Key Porter Books. Hay claims that one of Mulroney's closest friends, Toronto lawyer Samuel



Key in Mulroney's Politics: for Mulroney, it's little sign that the rot may be serious.

Mulroney's persistent usage problems. Among them is a 307-page work by Claire Hoy, the author. Through her column, Hoy takes direct aim at the character flaws and policy inconsistencies that have prompted the Prime Minister's enemies to label him "Loyal Brian." And although Hoy concludes that Mulroney could still regain public favor, "the fact that failure is even considered a possibility," he writes, "is a definite sign that the rot may be serious."

Hoy's negative portrait, *Friends Is That Place*, Politics and Patronage in the Mulroney Government, is one of four books appearing this fall that paint the Prime Minister. Written by veteran Ottawa journalists, they are the first serious hard-core analyses of Mulroney and his government since the Conservatives' first, elective victory. Collectively, they paint a picture of incompetent and mean-spirited people in

Wicks, complained about the book to the publishers. And Key Porter deleted certain passages—including one concerning Mulroney's allegedly lecherous behavior at a friend's wedding before he became Prime Minister—after Mulroney's lawyers denied Hoy's version of events. But other gossipy details, from the question to the cabaret, remain. They range from Milla Mulroney's dress size—a 18-20 as incident in the 1960s in which Hay says that Mulroney stole the date of David Peterson, now Ontario premier, when both men were bachelors.

Michael Grattan, Mulroney's former press secretary, is more overboard in his account of the Prime Minister's first years in office, entitled *So, What Are the Boys Doing?* (Maclean's, Sept. 28, 1987). Nevertheless, Grattan paints a picture of a man consumed with ego, coverage and surrounded by spongers, inept advisers

While Grattan has nothing but praise for Milla Mulroney, Susan Wang, an Ottawa Ottawa editorial writer, offers a more brutal assessment in her book, *Political Wreck: The Lacer of the Strife*. Both Riley and Hoy take Milla Mulroney to include Milla, wife of the former Prime Minister, for her love of expensive clothes. Riley's chapter on Milla, entitled "Shopping your way to the top," is a biting portrait of the Prime Minister's wife. "There is a solid impression about Milla that she is a woman who is a woman," Riley writes. "She doesn't have the grace to be embarrassed when her expenses are exposed; instead, she is just irritated."

The Mulroneys fare better as John Sawatzky's *The Justice Government, Business and the Lobbyists*—mainly because Sawatzky devotes more attention to Liberal Leader John Turner and his disastrous 1984 election campaign. Still, in retelling the fall of Robert Corio, the Tory defence minister who resigned in February, 1986, after a visit to a West German strip club, Sawatzky portrays Mulroney as a man more concerned with politics than principle. He says that this reached Mulroney through Dawson Edwards, Canada's policy adviser at the time. According to Sawatzky, the Prime Minister's decision to meet in his with at Edwards' not Coates. Mulroney sensed Edwards' "disloyalty and malice" and branded him an enemy of the government," Sawatzky writes. Mulroney's adviser, Walter McLean, then secretary of state, "to keep clear of Edwards," although the two were close friends.

Such accounts will continue to dig Mulroney in, one by one, the books appear in time for the Christmas market. Some senior Tories, including Deputy Prime Minister Don Mazankowski, are openly fighting back. In a speech in September, Mazankowski attacked the "wrecking garbage heap of innuendoes, suspicion and innuendo" that has been directed at the government. Hay, meanwhile, is delighted with the dust over his book. "I am bombing away," he said, "insulting people and winning friends." Clearly, those friends are not in the Prime Minister's inner circle.

—PAUL SEIBER in Ottawa

A Tory who refuses to toe the line

For almost a year the tension between Conservative MP Bernard Jordanian and the Mulroney government had mounted. A radical member for La Prairie, Que., southwest of Montreal, Jordanian is a self-styled "fighter." In recent months he had urged the firing of a top bureaucrat, and he described government proposals to toughen the immigration and refugee system as "surgery." Then, in September, he called for an inquiry after Miss Mulroney, the Prime Minister's wife, was allegedly involved in the immigration request of a French citizen who teaches his children at an Ottawa private school. With this, his fellow Tories had had enough. Three weeks ago they voted Jordanian out of his post as chairman of the House of Commons committee on law, employment and immigration—and Tory MP Ricardo Lopez challenged him to quit the Conservative caucus entirely. Jordanian now awaits a phone call from Brian Mulroney to decide his political future. Said Jordanian: "He's my boss. Only he can fire me."



Jordanian doubts about the Mulroney government's willingness to tolerate criticism from within

Whatever his fate, Jordanian's troubles with his party raised doubts about the government's willingness to tolerate criticism from within. Three years ago Parliament adopted government-supported reforms designed to loosen rigid party discipline—particularly for backbenchers; government MPs who do not sit in cabinet MPs on both sides of the House of Commons lauded the changes, which included committee budgets for research assistance and greater independence for the 39 standing Commons committees that review government affairs. But Jordanian's removal as chairman of the immigration committee, charged now House Leader Nelson J. Lee, has prompted "serious questions" of the government's commitment to parliamentary reform.

Jordanian, a 54-year-old businessman, lost his committee chairmanship on Oct. 7 when the other six Conservatives on the 13-member committee—five of them appointed only weeks earlier by the government—voted against him at a caucus meeting. Jordanian

promptly founded the Tories "parade" of the party. And still MP Raymond Stelly charged that the government put the new Tories on the committee as "an orchestrated move to squish free speech."

In fact, the government has tolerated wide criticism of its policies by Commons committees and, on occasion, has

kept when the government calls an end to a session of Parliament, party whips can now change committee members only once a year, in September, rather than twice a year—giving MPs greater security in their committee roles. And for the first time, committees have money to hire research staff—about \$180,000 for the house panel this year.

even changed proposals in response. One example: in the aftermath of the collapse of the Canadian Commercial and Northern Bank in 1985, the government accepted about half of the finance committee's 124 recommendations—rejecting key elements of government policy—on the reform of financial institutions. And chairman Donald Blencourt, Tory MP for Mississauga South, said that the committee expects to table a report in mid-November urging extensive changes to Finance Minister Michael Wilson's proposals for tax reform.

Other committees, and other reports, have not fared so well. In mid-October Justice Minister Ray Hnatyshyn rejected all but 10 of 208 unanimous recommendations by an all-party committee for reform of Canada's access-to-information laws. The government also rejected a part of the finance committee's report that called for limits on ownership of large financial institutions.

Still, the reforms have undeniably given committees greater freedom. Re-

plus a budget of \$950,000 for cross-country hearings into tax reform—and the right to travel in Canada without seeking special permission from the House.

As for Jordanian, several MPs said that his problem was less his outspokenness than his penchant for personalizing his attacks—particularly his repeated calls for the firing of Galtus Lussier, the powerful deputy minister of employment and immigration, because of the way the department is run. Jordanian himself was unrepentant. "Yes, I have shaken the cages of some powerful people," said the former insurance salesman and cheese shop owner. "But who runs the country? The bureaucrats or the parliamentarians?" By week's end, Jordanian had not yet heard from Mulroney—and said that he would decide this week whether to stay in the Conservative party. "What know?" he added. "Maybe I'll go back to selling cheese."

—NANCY CLARK in Ottawa

WHAT TO LOOK FOR IN A FUZZY NAVEL.

Hiram Walker Peach Schnapps, naturally, is the dynamic duo of luscious peach and great Schnapps taste.

Combine that with ice and drinks of ice and you've got the best buzz. Now you can enjoy it any time, any place.

For those who are fuzzy about their Navel.

**Hiram Walker
Schnapps.**
Taste the difference.



Failure in Moscow

Gripping and moving for the masses, hollering over a helicopter engine, outgassing cheerfully at a news conference that was the Ronald Reagan world now last week, an old trooper still going through the motions that once cyphered his seemingly effortless power as president. But those heady days are long past. With only 14 months left in office and the Iran-contra shambles along heavily around his neck, the 76-year-old Reagan, apparently out of political magnetism, stumbled through a decidedly dismal week. On Monday the New York stock market played an astounding 500 points, its worst day in history, and when Reagan tried to offer reassurances, world markets simply took another while (page 20). In the Persian Gulf, rebelling for an Iranian missile attack on a U.S.-registered tanker, American warships bombarded an insignificant Iranian oil installation—and surrounded in providing another attack by Tehran (page 26). And in a better blow at week's end, the U.S. Senate, by a vote of 58 to 42, rejected Reagan's nomination of Judge Robert Bork to a Supreme Court justice.

But the unknown end of all came from Moscow. On Friday afternoon U.S. Secretary of State George Shultz, after two days of meetings with Soviet officials, told a news conference that the superpowers had failed to reach a final agreement on a summit during both sides' medium- and short-range missiles. Mac said the summit-looking secretary had they set a date for a Washington summit between Reagan and Soviet leader Mikhail Gorbachev at which such a deal could be signed. The rejection, following a much-celebrated agreement-in-principle in September, was strikingly reminiscent of the outcome of the Reagan-Gorbachev summit one year ago in Reykjavik. Once again, U.S. officials after being openly optimistic, appeared wholly unprepared for the stunning setback. And once again, the chief stumbling block was Reagan's controversial pet project, the Strategic Defense Initiative (SDI), the space-based missile system known as Star Wars.



Reagan, wife, Nancy (below): one bit of good news in a decidedly altered week

At week's end, the exact details of the latest debacle remained as shrouded as Moscow itself, which was shrouded in its own fog for 187 years. But one point was painfully clear: the staunchly anti-Communist Reagan had been forced to look to the Kremlin, of all places, for a success that might save him from becoming the latest of lame ducks—and

secure him a peacekeeper's place in history. Gorbachev, obviously aware of Reagan's desire and his desperate political crisis, may have decided to press for more concessions. Said Leon Aron, a Soviet analyst with the conservative Heritage Foundation: "He is trying to milk the situation for the maximum benefit that he can extract."

Other experts, however, maintained that the Kremlin's intransigence may have sprung from internal pressures in the Soviet Union. Some Soviet hard-liners are wary of Gorbachev's plan to cap military spending and concentrate on modernizing the stagnant Soviet economy. And on the eve of Shultz's visit, the 307-member Central Committee held a sensitive plenum that may have decided to stiffen arms control policy.

Certainly the Soviets



Photo by AP/Wide World

made an abrupt reversal. After Reykjavik they had appeared to drop their insistence as a link between Star Wars and any other missile deal, clearing the way for a separate peace under the so-called global double-zero option: that proposal calls for the elimination of all nuclear weapons with ranges of 300 to 1,000 miles in both Europe and Asia. The prospective treaty would be the first superpower arms accord in nearly

seven—one that would presumably outlaw all later proposals. "I suppose the most thing that we will do," Shultz said, "is keep checking the mudlarks and see if he brings a letter." The battle lines over Star Wars are plainly drawn. While some scientists doubt that the futuristic program is technically feasible, Reagan estimated last week that he believes it "can be perfected." Once in place, he maintains,



Shultz (left) with Shevardnadze, Gorbachev (below) inquires

a decade and the first ever to eliminate an entire class of nuclear weapons. However, technical issues remained to be worked out, and at week's end Shultz said that the two sides were still discussing over verification procedures. And overlooking U.S. expectations, Gorbachev had again said the limited arms accord he agreed on Star Wars.

Moscow, Shultz said on Oct. 28, insisted that as a precondition for a summit, the two powers must first outline principles for another treaty that would limit both long-range or strategic nuclear arms and ICBM at Reykjavik—before choosing over Star Wars. Reagan and Gorbachev have agreed on dividing both sides' arsenals of strategic weapons by 50 per cent. According to Shultz, Gorbachev said last week that he would send a letter to Reagan

it would be purely defensive, serving as a shield against strategic missile Soviet attacks, however, say that an offensive war could be used ultimately, giving Washington the ability to launch a first strike without fear of reciprocal retaliation. The Soviets have shifted the focus of their opposition from downgrading Star Wars to calling for an additional 10 years' adherence to the

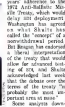
1974 Anti-Ballistic Missile Treaty, which would delay anti-deployment. Washington has agreed on what Shultz has called the "concept" of a nonwithdrawal period. But Reagan has endorsed a liberal interpretation of the treaty that would allow for advanced testing of SDI, and Shultz acknowledged last week that the debate over the terms of the treaty "is probably the most important area at issue." Some analysts down-

played last week's headlines. State department officials in Washington insisted that the modern events that would almost surely be signed in the next few months. And External Affairs Minister Jon Clark, after being briefed along with other State foreign ministers by Shultz in Brussels on Saturday, said that he thought an agreement on nuclear-arms treaties could be reached within one to three weeks. Clark added that such a deal could be achieved without the United States modifying its position on SDI. A superpower summit, he said, has been "not back rather than out."

The tough Soviet stance derived a palpable sense of U.S. optimism before the Moscow meeting. "You now will make headway on arms control," Shultz told reporters before leaving Helsinki, where he had met with arms control experts. The only question is how much. "When the fog descended on Moscow, closing airports and stranding sleepless travelers, Shultz was so eager to keep his appointment with Foreign Minister Edmund Shevardnadze that he arranged for a special train to transport him and his 130-member entourage through the cold Finnish night. Some 1,800 ice and 16 hours later the U.S. party reached foggy-on Moscow and proceeded straight to an airport official reception. There, in restrained, brusque splendor, Shevardnadze seemed to confirm U.S. hopes, telling Shultz that while difficult issues remained to be resolved they are insubstantial when compared to the strides you had to overcome to get from Helsinki to Moscow."

Throughout Shultz's two days of meetings with Shevardnadze and Gorbachev, officials on both sides appeared markedly upbeat. Gorbachev himself said that he expected to attend a summit in Reykjavik, Iceland, in November, whose one bit of good news last week was that his wife, Nancy, was recovering well from breast-cancer surgery—told a news conference in Washington that when Gorbachev comes to sign the arms accord he hopes the Soviet leader will "have time to see a great deal of America." That included Reagan's spending vacation home in Santa Barbara, Calif.—so "let him see how a capitalist spends his leisure time," President said. It was a typical Reagan quip, the kind that once won him such widespread approval. But when negotiations stalled in Moscow the following day, during the administration yet another bruising embarrassment, Reagan's joke seemed to have more evidence than President was out of touch, out of luck—and fast running out of time.

—BOB LEVY with CATHERINE DICKSON in Moscow, WILLIAM LOWMYER in Washington and PETER LEHR in Helsinki





Indian soldiers with injured comrades: silhouettes of rape, murder and inflammatory attacks from the air

SHI LANKA

The long agony of a city under siege

The grim battle for the Sri Lankan rebel stronghold of Jaffna raged on last week, getting more than 30,000 Indian troops against an estimated 2,000 Tamil Tiger guerrillas. Despite early predictions that the city of 700,00 on the Jaffna peninsula, at the northern tip of the island, would quickly fall, Indian officials admitted after two full weeks of fighting that they controlled only a third of it. As house-to-house fighting continued, *Nation's* correspondent Lisa Barber entered the war zone. *Her report:*

The Indian and Sri Lankan associations, allies in the all-out war to crush the Tamil Tigers, had ordered the battle once closed to reporters. But we took back roads to avoid Indian army checkpoints and drove a hazardous ferry ride across the Jaffna Lagoon, entering Tiger-controlled territory last Wednesday. And in a 24-hour tour at the outskirts of the beleaguered city—whose centre was sealed off by Indian troops—we saw and heard reports of widespread

suffering among civilians caught up in the small but savage war.

In the capital, Colombo, Indian and Sri Lankan officials had angrily denied reports that Indian troops were shelling civilian areas, calling in aerial attacks and raping and shooting civilians. Indian spokesman Laxma Pura, called the reports "blatant lies" and "scurrilous rubbish." But we found evidence to the contrary. In the Mudi Kai Hospital, 32 km northeast of the city, a young woman named Mohendra Kanagawary told us, "I was in one house yesterday at the village of Urumpira, when Indian soldiers came and shot me." She claimed to have no idea why they had opened fire. Sitting in a chair with bandages on her arm and leg where two bullets were still lodged, she added with chilling calm, "My father and mother are both dead. I don't know why they were shot, either." As she spoke, a heavily bandaged woman from the same village, who gave her name as Rameswari, sat hunched on a hospital trolley. "Her husband and two

of her three children were killed," said Kanagawary.

In the same ward of the hospital, located in a Tamil-controlled sector, lay 20 wounded children. A brother and sister shared a single bed. The five-year-old boy had been shot in both ankles. His nine-year-old sister had an upper chest wound from a shell or mortar fragment. Both had been wounded during heavy fighting at Kalladi, a suburb on the eastern outskirts of Jaffna.

In the rebel-controlled village of Kiriweli, 16-year-old Arumaththa Kanalewaran said that he had seen Indian soldiers sexually assault three Tamil girls at Urumpira the previous day. He said that the soldiers herded a group of civilians together at gunpoint, then stripped the girls. When three boys intervened, claiming that the girls were their sisters, they were shot dead. Kanalewaran claimed. He said that he escaped with only a beating because he was younger than the other boys. He also said that there were six other bodies be-

side those of the three boys at the site, four of them young women who were raped. The Indians placed tires on top of the bodies and set fire to them, he said, and one Indian told him, "Even your women have taken up arms against us—already we have shot five of them."

Indeed, young Tamil women—1,000 of them, according to a rebel spokesman—are fighting alongside the Tigers. One of them, who called herself Dhanira, was an attractive 20-year-old who wore her plaiting black hair in double braids and proudly displayed a cyanide suicide capsule on a thong around her neck. "We must be free citizens of a Tamil state," Dhanira said. "We are a subject race. My parents know I belong to the Tigers and approve. Even if I were to swallow the cyanide they would approve."

Everywhere we went, barefoot fighters of the Liberation Tigers of Tamil Eelam moved with ease among the civilian population, enjoying the obvious support of fellow Tamils. But the civilians here had to pay a terrible price. Asian Eelamians, the Tigers' chief planner and tactician, told us that last Wednesday, the day of our arrival, had seen the worst fighting of the siege, claiming the lives of 200 civilians in and around the main city hospital and other strategically important buildings in the rebel-held city centre. Kanalewaran also played a tape-recorded message that he said had just been brought out through Indian lines from inside the beleaguered city centre.

According to the recorded voice of a rebel—quoting a doctor who was himself wounded by the rebels—Indian troops had massacred 100 hospital patients the day before. The doctor also claimed that Indian soldiers raped and killed several nuns and killed two doctors. There was no way to verify the report, which Indian sources have denied, claiming that the hospital was abandoned until their troops arrived and rescued it.

Despite the carnage, the Tamils will not give in to the Indians, who are attempting to enforce a cease-fire agreement aimed at ending four years of communal strife between the island nation's Tamil minority and Sinhalese majority. Said Kanalewaran: "We can still hold on—we have the weapons. If the Indians and the Sri Lankan government are bent on physically liquidating the

movement, then we will fight a guerrilla war. It will take years for them to round us all up."

The two sides in the conflict differ greatly in their estimates of casualties. At week's end, Indian officials claimed that their troops had killed 600 Tigers in two weeks of fighting and had lost 130 of their own men. But Kanalewaran said that the Tigers

movement, then we will fight a guerrilla war. It will take years for them to round us all up."

There was good reason for his anxiety—as I discovered when we reached the dock. Ninety minutes before, eyewitnesses said, a Sri Lankan army helicopter gunship had machine-gunned a group of terrified civilians. A huge pool of blood stained the blood-spotted

dry dock where witnesses said, two people taking cover under a large had been killed and 46 others wounded.

The angry boatmen had fed the scene, inspiring a mass of refugees willing for transportation. Along with about 70 refugees—mostly women and children—I clambered aboard an eight-story boat. The sea and point to join the boat across the lagoon to safety. In the near distance the explosions of mortar shells and the rattle of automatic fire signaled that the siege of Jaffna continued unabated. ☐



had lost only 400 fighters, while more than 400 Indian soldiers and 400 Tamil soldiers died. Said Mudi Kai Hospital, the staff and that more than 80 wounded Tigers had been admitted. We saw 10 of them in one ward, their faces naked in the heat, still wearing the traditional Tamil checkered saris. Two wounded men stretched hands across the space be-

tween their beds and sang a quiet song. Another, who gave his name as Rakka, said that he had been shot two days earlier in house-to-house fighting in central Jaffna. He appeared to be semi-conscious as he crooned, "There are so many Indians."

Getting out of the battle zone on the afternoon of Oct. 22 proved to be more difficult than getting in. The only escape route was to retrace our steps and to leave by boat from the jetty at Gallewari, 19 km from the centre of the city. Our taxi raced along the three-metre-wide road leading to the dock, weaving in and out of scores of refugees as they fled the peninsula on bicycles and on foot. When we reached the causeway, with six five-kilometre

streets of open road, our driver anxiously scanned the sky for aircraft.

There was good reason for his anxiety—as I discovered when we reached the dock. Ninety minutes before, eyewitnesses said, a Sri Lankan army helicopter gunship had machine-gunned a group of terrified civilians. A huge pool of blood stained the blood-spotted

dry dock where witnesses said, two people taking cover under a large had been killed and 46 others wounded.

The angry boatmen had fed the scene, inspiring a mass of refugees willing for transportation. Along with about 70 refugees—mostly women and children—I clambered aboard an eight-story boat. The sea and point to join the boat across the lagoon to safety. In the near distance the explosions of mortar shells and the rattle of automatic fire signaled that the siege of Jaffna continued unabated. ☐



Government troops: a 21-year-old former bar girl leads the way to Kampala

UGANDA

Alice's army on the march

She has been called a witch, a spirit-fu and a savior. And last week Alice Lakwena, a 25-year-old former bar girl, was leading a ragtag army of about 1,000 spiritual followers toward the Ugandan capital of Kampala in her quest to overthrow the government of President Yoweri Museveni. In the 10 months since the birth of her Holy Spirit Movement in the arid bush country more than 300 km north of the capital, Lakwena has become a legend. But few outside her cult have seen her, and last week the government newspaper *New Vision* published what it claimed was the first eyewitness description: "We saw a tall young woman dressed in a white blouse and a black skirt carrying a hatch in her arms," the eyewitness reported. "She was guarded by two elderly women wearing very long crosses (around their necks), and in front of her was a young boy with a pot on his head from which smoke was rising."

When Lakwena and her interloper followers first began their march on the capital, they were widely dismissed as a joke. But last month the rebels attempted to cut vital trade routes between Uganda and neighboring Kenya, successfully securing some thousands of National Resistance Army (NRA) troops sent to put down the insurgency. And by last week, with soldiers deployed in strength on the Nile River at the town of Jinja to stop her crossing a strategic

bridge about 60 km east of Kampala, the weaver whom some Ugandans call the black Joan of Arc had become a force to be reckoned with.

Motivated by a curious blend of mis-graded Christianity and witchcraft, Lakwena made her warriors—mostly Acholi tribespeople from the north—into battle almost monks: their bodies glimmering with fat that they believe makes them bulletproof. Her "angels" hoisted only a few 25-year-old automatic weapons, and most members are armed with sticks and stones and with what one called "magical" weapons made of fragments of snake bone or honeycombs mixed with dung and herbs. The bundles are wrapped in scraps of paper—sometimes pages torn from school primer books—and coated at the ends as if they were hand grenades.

According to a rebel named John Oweyo, who was interviewed by a *Mailweek* correspondent after being wounded in a battle near the eastern town of Tororo, Lakwena's magic turns those objects into burning snakes and swarming bees that attack the NRA. Oweyo claims that Lakwena's powerful magic failed him early because he accidentally disobeyed

her injunction not to run over anthills during battle. He says that Lakwena frequently blames casualties on the infringement of another commandment to her men—to avoid sex at all times.

Major clashes with the NRA earlier this month left as many as 1,000 rebels dead, according to the government. But each battle does not seem to dampen the group's fervor. In one recent skirmish, 1,500 Lakwena followers emerged from pagans swamps, chanting hymns in praise of Jesus. For two hours they battled the NRA at the tiny bush outpost of Iyolwa in eastern Uganda.

When the fighting was over, 250 rebels and three NRA soldiers had been killed. A correspondent for *Mailweek*'s who scoured the battlefield soon afterward saw the bodies of some rebels—literally torn apart by post-black machine-gun fire—lying on a carpet of coffee-like paper shreds.

Despite such carnage, the members of Lakwena's army regroup and march on. They move in a tailored column of men, women, children and cattle, stopping in abandoned villages to feast on slaughtered cows. Their leader has promised to reward them with wealth and power once they have overthrown

Museveni, and after each battle, one of her followers said, she falls to her knees and speaks in "the voice of the Holy Spirit"—convicting her fighters that their deaths are victorious. Followers speak with awe of Lakwena's beauty. Government sources say that she was born a Roman Catholic and was a prostitute before she began her strange career as a militant cult leader.

After years of murder under Idi Amin and Milton Obote—whose regimes have been blamed for thousands of deaths since the East African nation's independence from Britain 30 years ago—the mysterious Alice Lakwena is contributing a bizarre new chapter to the bloody history of Uganda.

—NAN ANNE FITZGERALD in Tororo



Museveni challenge



We do more for flyers. More frequently.

A major portion of our business is done at airports. So we've learned what it takes to make life easier for business travellers—and more rewarding for frequent flyers.

And we believe we do more of it than our competitors.

Like keeping an adequate supply of cars at airports to meet unexpected demands.

And making sure our counter service is fast and efficient.

And offering the maximum to members of frequent flyer plans.



Sundancer

For example: Aeroplan, 500 miles with every car rental. Canadian Plus, 500 points. At participating Tilden stations.

Being in the pleasing business means making travel a more rewarding experience.

We're in the pleasing business.



Please Tilden for membership in Canada, and also worldwide through our international offices. Tilden rents many makes and models and features cars by Chrysler Canada.



For the price of a small brewery, Pat LaCroix will photograph a nice cold glass of beer.



PAT LACROIX FOR CANON

For the price of a nice cold glass of beer, you can have a perfect color layout. In minutes.

The Canon Color Laser Copier. It scans digitally. Prints by laser. So colors are rich and true. However, you can change colors too. Adjust balances. Print any area in any color.

You can even combine black and white type with a full color photo to create a new image. Just like we've done above. And sizes? Take it down to 50%. Or all the way up to 400%.

There's so much this copier can do. Why not see for yourself? Call 1-800-387-1241 and ask for a brochure and your own beautiful color copy. Cheers! It's on us.

Canon
The comforting choice





EXECUTIVE CLASS

What makes Executive Class so good? The power of suggestions.

Before we designed Executive Class, we talked with hundreds of experts. Men and women like you who often fly on business. First we asked what you wanted on a business flight. Then we made a commitment to provide it.

Which is why, on Executive Class, you'll enjoy the comfort of a private cabin. Extra space. A wider, more contoured seat. An exclusive footrest. Excellent cuisine, a selection of vintage wines and beverages and an array of in-flight amenities.

As well as the convenience of advance seat selection, priority check-in,

boarding, deplaning and baggage delivery.

And an extensive schedule. With more than 225 flights daily to 28 major business centres in North America, Europe and Asia.

On your next business trip, fly Air Canada's Executive Class. Because what makes it so good is your suggestions. And our commitment.

Giving Business Our Best.



AIR CANADA

THE PERSIAN GULF

A direct hit in reply

When U.S. navy warships opened fire with five-inch guns in the Persian Gulf last week, the repercussions were felt from Tokyo to Wall Street. The New York Stock Exchange was just about to open on Oct. 19 when four U.S. destroyers—retaliating for an earlier Iranian missile attack on a U.S. registered tanker off Kuwait—used a 1,000-round barrage to destroy an Iranian offshore oil installation. Iranian President Ali Khamenei immediately announced that his country would "definitely retaliate." And fears that the United States would be drawn even deeper into the seven-year-old Iran-Iraq war heightened the panic, affecting exchanges around the world (page 34). Indeed, as the 12th U.S. convoy of refueled Kuwaiti oil tankers made its way cautiously southward through the Gulf last week, the world watched anxiously to see when, and how, Iran would take its promised revenge. When it came, the Iranian response seemed to many observers to be—as U.S. Defence Secretary Caspar Weinberger claimed America's had been—"measured."

Instead of mixing an attack on the heavily escorted convoy, which passed safely out of the Gulf late last week, the Iranians chose a target that did not seem calculated to invite further U.S. retaliation. That target was Kuwait's main Sea Island oil export terminal—on which an Iranian Shi'a missile made a direct hit last Thursday. But although the Americans seemed prepared to consider that attack to be the end of the latest round of Gulf exchanges, the Arab response was more heated. Egyptian President Hosni Mubarak, for one, interrupted TV programs on Thursday afternoon with a pledge to "assume sister-Arab responsibilities toward brother Kuwait."

The U.S. attack on the Rohdud oil installation took place just three days after Iran fired a Chahak missile at the Refinery Kuwaiti tanker Sea Life City in Kuwaiti waters in that

incident, 18 crew members were injured, including the tanker's American captain. The U.S. fleet, that retaliated upon the Iranian crew's 20-minute warning to vacate their two linked oil platforms. Then the four destroyers opened fire. Their barrage seemed to some experts to be far more than was necessary to destroy an insignificant

tary action by Iran with stronger consequences.

Despite some reservations by individual members, Congress overwhelmingly endorsed the military action. As well, much of the Arab media in the region gave cautious approval. In America, The Jordan Times summed up the prevailing attitude by describing the U.S. attack as "a limited but necessary response" to Iranian aggression. But the newspaper cautioned that it also increased prospects for a larger conflict in the Gulf.



Kuwait's Sea Island terminal ablaze. They will see the score as even now and won't do anything!

target. "It was one of the most ludicrous exercises I have ever heard of," declared former U.S. air force colonel Sam Gardiner, an analyst with Washington's Center for Defense Information, a military research group. Other analysts said that the attack had ended the stakes in the Gulf. Said Thomas Melvick, a Middle East scholar with the Brookings Institution, another Washington think-tank: "When we hit the oil platform, we earned a line. It was a change in the rules of engagement, and that scared me."

Still, Weinberger said that the attack was an "measured and appropriate" response. And alleging that the Iranians had used the platforms as a base for gunboat raids against neutral shipping in the Gulf, he added, "We consider this matter now closed." However, he declared, "we will be fully prepared to meet any escalation of mili-

Still, there were signs that both Iran and the United States were anxious to avoid all-out war. "If the Americans are sensible," said one Western diplomat in the region, "they will see the score as even now and won't do anything." He added: "This lets the Iranians out of a corner. It was not an American ship. It was not an American anything." And indeed, while condemning the attack, officials in Washington ruled out any further retaliation. They added that the Shi'a missile strike was aimed at Kuwait, which—as like its refusal of oil shipments—is not under U.S. protection. But for Kuwait and other Arab countries in the region, that reserved attitude could fade/allow more unheeded attacks from an emboldened Iran.

—ANDREW HUNTER with WILLIAM LUTHERY in Washington and correspondence reports

LIVING WITH THE CRASH

"It was the best of times, it was the worst of times."

—Charles Dickens, *A Tale of Two Cities*

For Alfred Powis, chief executive officer of Toronto-based Noranda Inc., a natural resources giant, it was unquestionably the worst of times. After last week's cataclysm on the world's major stock exchanges, Powis estimated that he had lost \$661,000 on his personal portfolio of Noranda common and preferred shares. But for John McDonald, a senior analyst with the Toronto brokerage firm Moss, Lawson & Co. Ltd., it was the best of times. As the stock market rebounded from catastrophic falls early in the week, McDonald began buying on Tuesday and made a \$70,000 profit in 24 hours. While the dejected Powis told *Money*'s, "I feel a lot poorer," an elated McDonald said, "When you see these wild gyrations in the market, it's like having a stroke in front of a dog."

Aware all, it was a week of enthrallment as stock markets around the world fluctuated wildly, sparking fears of an economic collapse or, at the least, a recession. At the centre of activity was the Dow Jones industrial index, the closely watched barometer of the New York Stock Exchange, which started the week by plunging an unprecedented

of 558 points to 1,739 on Oct. 19, which quickly became known as Black Monday. That represented a 35.62 per cent drop in share values, a stunningly high figure even when compared to the 12.9 per cent that the New York Exchange plunged in its previous record drop in the historic crash of Oct. 28, 1929. The Dow recovered significantly on Tuesday, and after a roller-coaster week it closed on Friday at 1,961, down 51 per cent from 2,242 a week earlier. But major stock markets elsewhere had taken their lead from New York and gave into their own tailspins, wiping out over \$1 trillion from the value of shares worldwide on Monday and Tuesday alone.

Downward: In the tidal wave of panic selling, Santa Monica, Calif.-based Withers Associates, a company that tracks the daily price changes of more than 5,000 American stocks, reported that share values in the United States alone plummeted \$69 billion (\$1.8) on Monday. At the same time, the value of the shares listed on the Toronto Stock Exchange (TSX) plummeted a staggering \$51 billion by Wednesday, speculators and bargain hunters scammed back into the markets to snap up stocks at discount prices and drive the indexes back up. But the TSX's 300 Composite Index, its



representative of the Dow, dropped 34 per cent over the week to 2,086 points and, like major exchanges in Europe and Asia, was still heading downward at week's end.

Alarms: Many analysts had been predicting a drop in stock prices after a five-year surge that pushed the Dow and other leading indexes to new highs in August. Since then, prices had begun to slip, but the severity of last week's collapse caught most observers off guard. Many of them singled out bad U.S. trade figures and a raw between Washington and Bonn over a



Crowds gathering on Wall Street: a market collapse of unprecedented proportions on Black Monday

unilateral German move to increase interest rates as specific causes of the panic (see p. 34). But even major initiatives to cut back interest rates, and encouraging word from Washington on Friday that the U.S. economy was growing, failed to eliminate investors' jittery that had built up all week.

Worried: And the panic-stricken, political leaders around the world tried to reassure their citizens that the Western industrial economies were fundamentally strong.

After markets rallied on Wednesday, Reagan told reporters, "Certainly when more than half of the loss has already been regained, that sounds as if someone has discovered the economy is still rather sound." And professional economists tried to dispel the notion that the stock market crash of October, 1987, was a repeat of the crash of October, 1929, which preceded the Great Depression of the 1930s.

Despite the reassuring statements from politicians and economists, even

Shell-shocked investors will move their money from stocks to bonds, bank accounts or other safe areas, and Roerich, while nervous economists will save rather than spend discretionary income. Like most other analysts, he also predicted massive layoffs and 8-9 percent losses within the securities industry. Said Roerich: "We may even see a major panic on Wall Street as we broke."

And before the week was over, the first sign of a looming economic

the top executives of some of Canada's biggest companies. Frankly alarmed that they were bewildered by last week's events. "It's certainly a massacre," said Noranda's Powis. "But what is it telling you?" Likewise, Peter Widdington, president and chief executive officer of London, Ont.-based John Labatt Ltd., the brewing and food processing giant, said, "It's such a scary situation, who knows what's going on?"

Nervous: But other observers said that the indicators were perfectly clear: the disaster in the stock markets would inevitably have broad, perhaps severe, economic repercussions. Anthony Roerich, editor of *The Stock Credit Analyst*, a widely read, Montreal-based investment forecasting publication, said that there will be "extensive repercussions...at minimum it will be a recession, and it will probably be worse."

THE PSYCHOLOGY OF STOCK BUYING

New York accountant Ralph Elliott lost his life savings in the 1929 stock market crash. But during the Great Depression that followed he used his own terrible loss to develop a unique theory to explain the dramatic drop in stock prices. The markets, Elliott discovered, behaved like a living organism, moving up and down to what he called the "rhythms and stages of human psychology." Last month Robert Prechter of Generelle, Ga., a leading practitioner

of what has since become known as the "Elliott Wave" theory, advised his followers to sell their stocks. But even Prechter, who had been predicting the collapse of the New York Stock Exchange for months, failed to foresee the outpouring of panic and fear that reined through stock exchanges around the world last week. Indeed, he said that he was only expecting a minor downturn now, followed by a resurgence to unprecedented heights and then a

major crash in late 1988.

Prechter, 36, has built a multimillion-dollar business as a market guru, teaching behavioral "waves" or "swings" to interpret what will happen to stock prices. The market, argued Prechter, is actually a weather vane for human emotions. Indeed, he once advised his clients to buy shares on the basis of, among other things, his analysis of how the mood that popular music reflects could actually translate into a surge of optimism in the stock exchange.

Other analysts look at trends in fashion, politics, sports and elsewhere to determine how the human emotions that pervade them might also influence the

stock markets. One long-appraised theory suggests that there is a relationship between skirt lengths and the stock market. When society is affluent and growth-oriented, skirts are shorter. And headlines were liked during the bull markets of the 1920s, the late 1940s, the 1960s and in the past year.

Some analysts relate investor attitudes to the general psychological elements of greed and fear.



Prechter said lengths

Robert Van Doren, chief analyst of the American brokerage firm Persen Alding Firmin, said last week that these instincts fueled the market's latest drive. "Greed attracted a lot of unaffiliated newcomers to the market," said Van Doren. "And it was an unjustified, fear-driven herd instinct that drove them out."

And those fears, argue some analysts, often lead investors to nurture losses rather than the mar-

ket. In fact, a senior official at the London Stock Exchange said last week that as the market plunged, it seemed to take on almost bizarre dimensions. "There were times when the index would rise and you'd sense something was happening," he said. "People were not behaving as though it were a mechanical, man-made thing." At the end of last week not even Ralph Elliott's followers could predict where the market would go next. But in Paris, some designers were showing larger skirt lengths for the 1988 spring season—a sign, some say, of tough times ahead.

—ANN SEIBTELL in Toronto

breaks were evident. On Oct. 29 French Premier Mitterrand's belated assurance of a delay in a \$225-million increase in a state-owned defence and electronics company in London, many analysts predicted that the Thatcher government would be unable to proceed with the company's price increase of British Petroleum plc scheduled for this month. A senior executive with a Toronto-based brokerage firm said that 11 Canadian companies cancelled public offerings worth more than \$1 billion last week.

Foreign. Last week's chaos actually had its beginnings on the previous Friday, Oct. 26, when the freetrading Dow Jones average dropped a then-unprecedented 108.25 points. When the Tokyo Stock Exchange opened on Monday morning—late Sunday New York time—it was swamped with sell orders from Japanese investors who had become increasingly nervous over the weekend about the U.S. exchange's performance. From there, fear and panic swept across trading floors as they opened in the various financial centers around the globe. In London, the Financial Times Stock Exchange index of 100 shares fell 250 points on Monday, erasing \$107.5 billion from the value of the stocks.

By the time the New York and Toronto exchanges opened on Monday, a tidal wave of sell orders had built up. "Listening to the radio as the way to work Monday morning, you already knew there was trouble," said a Toronto-based foreign currency trader with a major overseas bank. Still, the extent of that day's crash surprised even seasoned stock exchange traders. "I felt like I wanted to die out there," said Scott Zeflat, a trader for Burns Fry Ltd., after a day of drastically fluctuating oil prices on the Toronto Stock Exchange (TSE). "I just couldn't believe it. I've got no voice left."

In all, a record 64 million shares traded hands on the TSE on Oct. 29, and the 306 Composite Index, the TSE's equivalent of the Dow, lost an unprecedented 407 points. The Wall Street Journal's New York Stock Exchange (NYSE), which normally trades about 170 million shares a day, handled 925 million on Black Monday. As a re-

sult, by mid-afternoon the computers that monitor the bid and volume shares traded were running almost two hours behind. The Dow Jones Industrial average dropped 308.22 points, or 22.62 per cent.

But when the North American markets closed, the day's price free fall, heavy and pure panic still had not run its course. On Tuesday morning, both Japanese and foreign television news jamed the "spectacular" fall in the Tokyo Stock Exchange to watch the slide of a stock opening bell.

When it rang, traders surged onto the floor clanking briefs of all orders. But there were no buyers and no traders. Throughout the city, stunned brokers and investors stared at blank computer screens that normally carried stock prices. By 10 a.m. there were still no bids for such blue-chip Japanese companies as Hitachi Corp., Toyota Motor Corp. or Sanjō Electric Industries Ltd.

Panic. While the Tokyo market took its pounding, the Hong Kong Stock Exchange remained closed. Its Hong Kong index of leading shares had a record 208 points, or 14 per cent, on Monday, and exchange chairman Russell Li announced that trading would be suspended for the week. But industry officials cautioned the move, saying that it would damage the British colony's reputation as an Asian financial center.

"A good crisis keeps its door open even when it's losing," said Marc Faber, Hong Kong director of the investment firm Drexel Burnham Lambert. "This is a long crisis."

The London

day in its 165-year history on Tuesday. By the end of the day the market was down 122 per cent and investors had lost a total of \$92.6 billion. "We're trying to find the bottom of the market," said Trevor Laugharne, senior investment analyst with

Kleinwort Greenbaum Securities."

Then on the North American markets, complete pandemonium prevailed again on Tuesday. By the end of the day New York's Dow index had rallied 102.77 points, or 3.98 per cent. But many analysts attributed the gain to stock buy-back schemes launched by a number of blue-chip corporations such as New York-based Merrill Lynch & Co. Inc., one of the world's largest retail stockbroker-firms, and IBM Corp., the giant American steelmaker. And while the Dow was rising, the Montreal and Toronto indexes fell again on Tuesday. And a wave of price selling hit the Vancouver Stock Exchange heavily on Tuesday, pushing the 150 index down 228 points, or 14.6 per cent.

Hysteria. As the afternoon and afterhours continued, the financial crash began to take on the macabre appeal of a huge natural disaster. By Tuesday afternoon cautious observers, many of them commentators, packed the spectator galleries at markets across North America while others stood in line outside. And on the streets, reporters took advantage of the crowd's milling outside the stock exchange to sell souvenirs, including purple buttons bearing the words, "Don't panic."

But for the investors, fear traders and brokers inside, it was bedlam.

"The whole thing is just a mess," said Thomas Burrell, a discount broker with Guardian Trust Co. in Montreal. "I have been here through Kitchener's heart attack and Kennedy's assassination and I have never seen anything like this."

After the TSE closed on Tuesday, exhausted floor traders trudged silently out of the exchange in single file. Most simply gazed at the pack of reporters looking for comments. One sighed in seeming disbelief, "God, the strange."

During Tuesday's trading, five U.S. stock-index options and futures mar-

kets, which speculate on future share prices, announced that they were closing for one hour because they could not get up-to-date quotes from the stock. That statement unleashed a new wave of hysteria among Canadian brokers, who were already trying to cope with an avalanche of sales orders. "It was chaotic bedlam," said a senior associate at one Toronto firm who asked not to be identified. "People were screaming at each other." But when the afternoon and forenoon markets closed, according to one participant, there was a brief lull on the company's trading floor as employees sat awaiting and shaking their shoulders after a hard game.

Collapses. European and other international investors were baffled not only by a huge scale, and senior executives of the firm constantly appeared on the trading floor to monitor sales. But they could not stop the avalanche of selling. Prices were dropping so fast that they kept triggering automatic

sell orders, which

stocks to ensure that

prices drop to a certain predetermined level. The collapse also triggered hundreds of margin calls—demands to investors who have bought stocks with borrowed money to either repay the loan or sell the stock. Last week these people were selling and contributing to the chaos in the markets. Throughout the week the industry mumbled in the taping of bells signaling emergency bulletins from the Reserve and Dow Jones stock wires. Said the brokerage executive:

"A ring for those people means money; it's their money, it's their life, it's their lives' profits, it's their client's profit."

But unlike the situation in Tokyo, there were buyers for the falling stocks on the North American exchanges. During the worst moments of frenzied selling, market makers—brokers who are responsible for maintaining stability in an open market—were responsible for about 30 per cent of the buying on the TSE. These traders normally account for 20 per cent of the purchases, said John Kolosky, the exchange's director of market operations. There are 170 market makers on the floor of the TSE. Their role, contradic-

in the 1960s in an effort to stabilize the markets, is to sell their assigned stocks in a rising market and to buy them in a falling market. Most market makers are affiliated with a brokerage firm.

But if they incur huge losses, the trader's company usually absorbs at least some of the debts. George Chisholm, president of the brokerage firm Hector Chisholm & Co. Ltd., said that one TSE market maker lost \$2 million on Oct. 29 but recouped \$1 million the next day. Some others reported a loss of \$1 to \$5 million.

But while the Toronto

floor traders persevered through the deluge of selling, at least two more traders simply could not handle the wave of sell orders. One Chisholm said that on Monday afternoon the NYSE market maker for one oil company ran out of money after buying millions of dollars worth of the stock. He simply walked out the following day, the market maker for Alcan Aluminium Ltd. did the same thing.

Still, even in the bleakest hour market some canny investors saw golden opportunities. Toronto physician Martin Shulman, an astute investment manager, had built up cash reserves of \$30 million over the past two weeks by selling out while the market was still strong. But last week Shulman said that he began buying in again on the eve of 31 p.m. Monday, while the market was crashing at a frenzied pace. Then on Tuesday morning he spent \$2 million on the TSE. And on Wednesday he sold everything at what he said was a considerable profit as the markets were rising.

As bargain-seekers returned to the

Aug. 25/87 2,722
All-time high

Friday, Oct. 16/87
Down 102 points
to 2,247

Jan. 8/81 2,802

July 2/86 1,910

Friday,
Oct. 23/87
1,951

"BLACK MONDAY"
Oct. 19/87
Down 508 points to 1,739

Black Monday, a cartoon bear holding a sign that says "BLACK MONDAY"

New York's Dow Jones Industrial Average

Stock Ex-

changes, meanwhile,

recorded the most active

Nov. 3/82 1,066

Beginning of
bull market
Aug. 13/82 777

market, a second force failed the mad-week rally—the so-called corporate buy-backs, in which companies repurchase their own stock. Between 40 and 50 Canadian corporations announced buy-back plans last week, though most will have to wait at least 30 days for regulatory approval before proceeding—and can cancel the purchase at that time. Another 60 companies had previously been granted approval to acquire their own shares. And some were buying through subsidiaries or in U.S. markets where their stocks were listed. “I personally bought our stock yesterday,” said Gerald Schwartz, president and chief executive officer of Toronto-based Orix Corp., a diversified management company. Orix shares were issued at \$50.68 apiece last spring but were trading at \$9.12 last week. In the United States, at least 30 companies were engaged in buy-backs, said Lawrence Wachtel, a non-executive director of Babco Securities Inc. of New York.

Further: Regardless of what happens next in the world’s stock exchanges, most experts agreed that last week’s crash and subsequent volatility ended one of the longest and strongest bull markets of this century. On Aug. 15, 1989, which is generally viewed as the starting date of the big upswing, the Dow Jones index closed at 2758.69 points. On Aug. 25 this year the Dow hit an all-time high of 2752.62 points. “At a minimum, you can say it’s the end of the financial mania,” said market watcher Borek in the midst of last week’s frenzy.

The sudden and dramatic collapse in stock prices only last week raised the specter of an economic collapse similar to the Great Depression of the 1930s. Political and business leaders around the world tried to develop such fears. And almost everyone was relying on the same assumption: the economic fundamentals remain strong. Inflation is under control, corporate profits are healthy, and unemployment, while high, has leveled off. While Canada and U.S. interest rates have risen this year, both governments moved actively last week to lower them. At the same time, governments pumped money into their economies to enhance the financial system.

Still, those efforts could prove futile

if consumer confidence is shattered by the upheavals in the stock markets, according to several experts. “What we have seen doesn’t mean that a major recession or depression is a foregone conclusion,” said George Nace, chief economist with Toronto-based Data Resources of Canada, an economic forecasting company. Nace said that in mid-1987 personal savings among Canadians were 5.8 per cent of disposable income, the lowest level since early 1973. By comparison, Canadians were saving 39 per cent of their disposable income in early 1982 due to high interest rates and as economic recession industry is headed for a slump.



Schulman finding profits amid the losses in the falling stock markets.

and a return to higher savings levels could slow consumer spending and hurt the economy.

Shower: Even if saving and spending habits remain the same, average investors are expected to shrink the stock markets in favor of safer investments following last week’s turmoil. “It significantly undermines small investor confidence in the stock market,” observed Orix president Schwartz. In fact, some investment analysts predicted record purchases of Canada Savings Bonds, which were scheduled to go on sale on Oct. 28 with an attractive interest rate of nine per cent. One U.S. bank’s new ads are dominated by a picture of a bear’s face and the message: “Financial Back. For people who are ending the market’s adolescence.”

While an economic recession may still be avoidable, it appeared almost certain by week’s end that the securi-

ties industry is headed for a slump. One Toronto stockbroker said that one-third of his colleagues were hired in the past three years. “There’s an empty desk in here,” he said, adding wistfully, “but in three months there will be.” Another broker said that the crash will tell the already-shaky market for say now stock issues. In fact, three Canadian brokerage firms had purchased an entire \$96-million issue of common shares in Montreal-based Demeer Inc., a pulp and paper, packaging and chemicals company, just prior to the crash. But with the likelihood of shutting any investors dismissed on Black Monday, Demeer let the brokers off the hook by cancelling the issue.

Losses: In the United States, exchange officials were investigating computerized trading, which allows rapid purchases and sales based on price discrepancies in different markets. “It’s had a tremendous impact on the marketplace,” said Michael Simms, vice-president of equity marketing at Toronto-based Nabholz Thomas Duncan Inc.

As the week ended, thousands of investors were still awaiting their losses. And in some cases, the losses were gargantuan. By Friday the stock markets had stabilized with the lowering of both the volume traded and price fluctuations. But the Wilshire Index, tracking the share prices of more than 4,000 U.S. companies, reported that American stocks ended the week an astronomical \$415 billion lower, with the volume traded and price fluctuations. And some observers warned that troubled times lie ahead. “In my opinion, Monday’s crash did a tremendous amount of damage that has not yet become apparent,” said Schulman. Like many experts, he predicted that consumers will strictly limit their spending and remain strong in demand. That could mean a tough Christmas for retailers and perhaps a grim new year all round.

TO ADAPT: JENSEN with 140 GOLDFINCH and RICHARD GILBERT with 140 GOLDFINCH in Toronto. LARRY BLAKE in New York. PHILIP KOWAL in London. JOHN KRAVITZ in Hong Kong and PETER MAGILL in Tokyo.



Dority musing the phone, a rapidly collapsing market and a desperate rear-guard action against crashing issues.

FRANTIC WEEK FOR A BROKER

For the brokers who trade on the world’s stock markets, last week’s unprecedented turmoil seemed a nightmare. Though to salvage whatever they could of their clients—and their own—fortune. One such broker was David Dority, 38, who for the past seven years has worked for Neilsen Thomas Duncan Inc. in Toronto. Like the hundreds of other stockbrokers across the country, Dority is the middleman between the exchanges and the public. He is paid a commission to buy and sell stock, but it is also his job to interpret the unpredictable markets for clients whose investments ride on his judgment. During last week’s frenzied trading, Dority spent most of his time hunched over his cluttered desk, a telephone pressed to his ear, scribbling and solving 500 adversely affected and embroiled clients. Maclean’s Contributing Editor Ann Sharf joined him as he tried to fight a rear-guard action against the economic and psychological forces that the dramatic share-price plunge unleashed. Her report.

Monday: Dority was at least partly prepared for what was about to unfold. He had become increasingly apprehensive about the stock market ever since it started its slow descent in August.

On Thursday, Oct. 15, he rode up his mind to sell part of a 350,000 stock portfolio under his control, and he recommended to his clients that they do the same. They had a lot riding on his advice. Some had invested \$100,000 in the market and others, sophisticated long-term investors, held up to \$2 million in stocks. But he never told his clients he was still unloading some of his own stock in the midst of Monday’s sudden crash, and he watched helplessly as his profits evaporated.

After the markets closed at 4 p.m., a tired and hungry Dority ate a sandwich at his desk and then started telephoning his clients. Over and over again he broke the terrible news: their losses had been staggering. “You have to talk to everyone in this market,” said Dority. “It is very hard to phone someone and tell them you’ve lost their money.”

When he finished work at 7:45 he walked past local bars overflowing with shell-shocked stockbrokers. But Dority did not join them. Instead he “worked off steam” playing a game of squash. Later that evening, at his midtown Toronto home, he tried to relax over a beer while watching the financial news on television.

Tuesday: The telephone was ringing when Dority arrived at Neilsen at 9:15 a.m., after a sleepless night. During the day he handled about 200 calls, 10 times his normal load. “They want to know how I’m feeling, because that may dictate how they’re going to feel,” he said. By 2:15 p.m., the U.S. markets appeared to be rallying, and Dority was more optimistic. He urged his clients to sit tight and told one nervous caller that, while the Toronto market was falling, “we’re got to keep our heads up and keep smiling somehow. We’ve had a rally in New York, which is good.”

But as the impact of the share-price collapse became clearer, a sense of urgency spread through Neilsen’s brokerage office. Dority said that his 60 colleagues at Neilsen, who as a group own a business of \$750,000, and several of them have been in the business for less than three years. He predicted that salaries would be cut in half next year and there would be empty desks in the office. But Dority, who joined Neilsen in May 1988, and that begins to be among the survivors.

As the hours passed, Dority became increasingly frustrated by the firm’s overloaded computer system, which, as

thru day advanced, could not keep up with the volume of orders. By 3 p.m. the computer system was so clogged with orders that Derrity was unable to tell his clients whether anyone had bought their stock.

In the end, he advised his clients to "just hang on to your cash and bear in mind that I'm not a broker in between today." He explained one client: "I'm sorry trying to hold the line. Before me, when it looks like there's



Frenzy at the TSE: the long-awaited market correction had finally hit

of the herd again, that is fine, but I would not be."

But as the pressure continued, Derrity admitted that he wondered whether he was losing his perspective. "I've got to get myself focused here," he said. "I wish I had more time to think. I just sit here writing orders all day—that's the problem." By afternoon, the hurried broker said that he was so "terrified" by the rush of buying that

on the floor, the professionals, knew that this is just an opportunity for them to sell their positions. So the profession is selling it to the public." Still, the professionals had not unloaded enough to make them happy, a broker said. Derrity from New York and traded on the mood on the floor of the exchange as it opened Thursday was "catastrophic." Throughout the day, sellers outnumbered buyers. Said Derrity: "All of a sudden people have gone from thinking 'Hey, this is a great opportunity,' to 'Hey, maybe there really is something wrong.'"

Perhaps the market began to fall as soon as it opened at 9:30 a.m. in Derrity told a client that in the weeks to come there may be up and down, but "we'll see new lows before this is over." And he said he was worried that the small investors would panic when this happened. "The little guy who bought into the market Wednesday will probably sell as the market makes a turn." For its part, Nasdaq lost money during the week Derrity said that besides Nasdaq's own trading losses, for every dollar it earned in commission income it was down one dollar on each extra cent as overdrive and actual bid orders.

As the day came to a close, the main flow of investors tapered off. "A lot of people are afraid to sell," Derrity said. "They

don't really want to face up to it. They would rather hide and forget." But Derrity did not allow himself to avoid hard facts. He said that he was thinking about the slow months that may be ahead. When the market closed at 2 p.m.—2 1/2 hours early, to give brokers a chance to get caught up with the backlog of second-order orders—he headed for his cottage near the village of Simco, 100 km northwest of Toronto. On his way out, he joked, "It is a nice little town—where I may live forever after this." But then he quickly made it clear that he does not really plan to leave the business, because, he said, there will be another bull market. It could take six months, or it could take two years. "But when we get to the 14th and 15th rounds," he said, the determined Derrity, "I am going to rally and win this thing."

he decided to refuse all buy orders.

Thursday: After a good night's sleep, Derrity was ready for another frantic day. A 1/2 a.m. he headed to his office on the previous day's rush to buy shares. It was a big change from the broker's usual routine of having to convince investors to make a purchase. Laughed one broker: "I probably did more unsolicited buys yesterday than I've ever seen." But his manager quickly warned him that they could not have investors backing out of purchases as the market fell, leaving bad debts with Nasdaq. "Just make sure you've got their cash. No cheques," he said.

The sell-off was the most one, Derrity said. "There are a lot of little guys who may perceive this as a way to make a fast buck on the way back up." The guys

The Pharaohs of second Egypt extended a state monopoly over gold and fresh thousands of wealthy stores to mine the different one. Since then, men and women have fought for gold, silver for gold—and always tried open gold as a sure investment in times of economic need. Last week, when world stock markets tumbled and U.S. destroyers bombarded two Iranian oil platforms in the Persian Gulf, many analysts expected that the growing sense of doom would propel the price of gold higher and gold-based mining stocks upward.

When tested, after a brief but sudden rise, bullion prices dipped slightly and then returned to prewarish levels. Gold-based stocks, in turn, recovered and then plunged. Peter Covel, president of Toronto's Covel Capital Management Ltd., said that the crash was so severe that many investors had to sell gold. As a result, the price did not skyrocket. "Trillions of dollars of wealth were wiped out," he said. "In the scramble to raise cash, people had to sell anything they could."

Still, despite that sudden cash squeeze, gold bullion remained its reputation as the last refuge of value. Indeed, the price remained relatively steady despite the earthquake. In the meantime, many gold stocks mirrored the same rough-and-ready adjustment that hit the rest of the market because many were overvalued. The crash brought their share prices more into line with company earnings.

The forces that drive up gold prices are both powerful and complicated. Peter Mahr, senior economist with the Bank of Nova Scotia, said that when investors expect a period of inflation, they buy gold as a protection because gold prices rise when inflation rises. Mahr said that prior to last week's stock market crash, investors expected moderate increases in inflation because the U.S. economy was strengthening and the trade deficit remained stubbornly high.

SOLID GOLD IN HARD TIMES



Good here at the Bank of Canada: gathering appeal over ancient lines

Banks: When that expectation of renewed inflation combined with rising tensions in the Persian Gulf, prices went on a roller-coaster ride. On Oct. 18, bullion prices shot to \$460 7/8 U.S. (\$241 1/4 Can.) per ounce from \$411 1/8 U.S. (\$241 1/4 Can.) in New York. Meanwhile, gold stock prices temporarily regained their value while the stock market plummeted. But within 38 hours of trading on the international market, bullion prices subsided. And the value of gold and silver stocks on the Toronto Stock Exchange (not all 19 1/2 per cent) in one day. Analysts attributed the fall in both bullion and stock prices to the fact that some investors who bought stocks with borrowed money were forced to sell their more valuable securities and their bullion to cover their loans.

Many analysts said that prices also dipped because investor confidence momentarily faltered. Julian Hilday, senior mining analyst at Toronto's Nasdaq Securities Inc., said that many investors concluded that Canada was on the brink of recession—so they sold their shares and their bullion. "If we enter a major recession, you do not need gold as an inflationary hedge," he said.

Prospect: These pessimistic fears aside, the market rallied. Bullion prices remained steady while the value of the stock and silver companies rose 1.41 per cent. When the market lurched downward again at week's end, gold prices rose to \$473-80 U.S. (\$251 1/4 Can.) in New York. Gold prices, slightly above the previous level. Gold-based shares, in turn, dropped just over three per cent on Thursday and one per cent on Friday—as investors concluded that the stocks were overvalued.

Many analysts predicted continued but moderate inflation—and thus moderate price increases in bullion to at least \$450 U.S. in 1986. But the future of gold stocks was less certain. David

Jones, a gold analyst with Richards Grenville of Canada Ltd. in Winnipeg, noted that most gold companies are "very, very healthy"—and that their average cost of production of about \$200 U.S. per ounce remains far below the current selling price. In contrast, Covel noted that many gold stocks have traded in a narrow range since 1985—and that, given such prices were unusually high when compared with earnings. But Covel also predicted that gold stock prices will increase slowly as bullion prices increase—and as inflation returns. "What I do feel strongly is that the investor in everything, including gold, is badly misled," Covel said. "He has had an experience that he will not forget for years to come."

—MARK JANSSEN in Toronto



Reagan, after the crash, with advisors: the German action prompted U.S. accusations of breaking the Plaza pact

A WORLD CALLED TO ACCOUNT

Ever since a landmark September, 1982, meeting of the world's top industrial nations in New York, political leaders have depended on a loose policy of cooperation to solve the trade and debt problems wracking the global economy. Since then, the United States, Germany, Japan, Britain, France, Italy and Canada have pledged to act consistently and adopt domestic policies that will in turn help the economies of their fellow nations. But periodic meetings of the leaders have produced little more than vague agreements to keep economies stable. And as stock markets collapsed around the world last week in the wake of Wall Street's devastating Black Monday, most analysts pinned the blame in large part on a breakdown of international economic cooperation.

Last February the leaders of the group of seven leading nations, known as G-7, reached an agreement at the Louvre meeting in Paris to encourage

world economic growth. But on Oct. 24, West Germany's central bank, the Bundesbank, boosted its prime lending rate by a tenth of a percentage point to 3.55 per cent. Higher interest rates tend to dampen growth, and the West German action prompted an anti-U.S. Treasury Secretary James Baker to accuse West Germany of breaking the Plaza pact. Then, Baker also speculated on the possibility of letting the U.S. dollar drift lower against other major currencies—and its losing to bet on the dollar itself. Four days later, in an attempt to resolve the bitter dispute, Baker flew to Frankfurt to meet with German officials, who agreed to cut back the rate.

Turmoil: But that international row, along with disappointing U.S. trade results and a spate of gloomy analyses in U.S. publications, sent the world's stock markets into their unprecedented tailspin. Alarmed market traders and investors around the world instantly

started pulling their funds and shilling out of capital from the U.S. market. They were clearly worried that a hike in interest rates would slow down America's economic growth—and even trigger a recession. As a result, they started to bail out of overvalued American stocks. **Fragile:** When the severity of the crash became apparent early last week, the U.S. government responded to the fears of higher interest rates. On Wednesday the Federal Reserve Board, the U.S. central bank, dropped its interest rate to six per cent—it had been as high as 7.5 per cent the week before. Major U.S. banks followed by dropping their lending rates by similar amounts to nine per cent and the Bank of Canada followed suit, lowering the prime bank rate by a full 0.57 percentage points to 8.26 per cent. The rate drops flooded the financial system with liquidity, making money easier to obtain and fueling temporary rebounds in stock exchanges.

But such a drop in rates under ordinary conditions has other potential side effects. For one thing, it can set off alarms over inflationary pressure, which in turn could affect the value of the U.S. dollar as foreign capital moves out of the United States. But last week the U.S. dollar did not fall until Friday, when it declined sharply against other major currencies and, moreover, later devalued, that G-7 leaders were to hold an emergency weekend summit—and possibly denounce the U.S. currency. In Ottawa, finance department officials were privately worried about a step fall in the greenback, which would take the Canadian dollar with it. However, last Friday the Canadian dollar actually improved against major currencies.

The fragile network of conflicting economic actions and consequences has world leaders hawkinging. On one side is the United States, formerly the industrial and financial engine that powered the globe, facing an array of serious, fundamental economic weaknesses. Its industries have lost their pride of place to the goods producers of other countries, notably Japan. And its consumers have developed a seemingly insatiable taste thirst for foreign products, which has produced a \$146-billion U.S. \$194 billion (Jan.) trade deficit. By contrast, in 1980 the United States had a trade

surplus of \$17 billion (U.S.).

That worsening trade position had already sent the U.S. dollar into a steady decline against other major currencies since late 1980. America's reduced purchasing ability in foreign lands hurt American business, government and consumers to take on record levels of debt in order to support the country's 10-month-old boom. Said Patricia Miller, senior economist with the Bank of Nova Scotia in Toronto, the U.S. economy is "on a knife's edge."

Crash: On the other side of the chasm that separates the United States from its economic allies are West Germany and Japan. Despite the G-7 accords, both the West Germans and the Japanese have policies designed to insulate them from global woes at the expense of the United States. Japan, plagued by an overvalued currency and a stagnant economy, has refused guarantees to increase imports. And West Germany, laboring with high unemployment and a sluggish economy, concentrates on avoiding inflation. Although Noboru Takeshita, Italy Japan's next prime minister, has promised a program of higher domestic growth, Western leaders remain convinced that the United States must fix its yawning trade and budget deficits if the economic imbalance is to right itself.

Last week's, clearly stingy by criticism that he had initially reacted too mildly to the Wall Street crash, President Ronald Reagan gave the first indications that he was finally ready to adopt tougher economic policies. Reagan has conducted a long campaign to battle with the Democratic Congress over the direction of next year's U.S. budget, which is expected to fall short of revenues by \$100 billion (U.S.). Despite that shortfall, Reagan has refused to raise taxes.

Financial trouble: Reagan is calling for greater spending cuts than those proposed by Congress in all nonmilitary programs, sales of government assets and increased user fees for government facilities and services. At his first news conference since news media Reagan told reporters on Oct. 22 that he would have his officials meet congressional leaders to discuss cutting the budget deficit. And while he stopped short of retracting his long-held opposition to a tax hike, he said, "I'm putting everything on the table, with the exception of Social Security."

But stock market investors and many economists reacted with skepticism. Sen. Carl Albert, chief economist at American Securities in Toronto, said: "The President has lost any real credibility in international markets." And C. Fred Bergsten, director of the Washington-based Institute for Inter-

national Economics, said that if White House officials "do not take these signals seriously, they court real, major disaster." Robert Solow, the professor of economics at Massachusetts Institute of Technology who was awarded the Nobel Prize for economics last week, was equally critical. "Financing a consumption boom by borrowing from foreigners means that we're going to be a number of years digging ourselves out of a hole that we dug for ourselves over the past six or seven years," he said.

Still, many economists and politicians remained fearful that tough budget shoring and a tightening of borrowing would pave the way for recession. The worry is that last week's stock market crash could have an immediate recessionary effect as newly cautious U.S. consumers and businesses start their spending.

Most observers now say that a mild recession in 1983 is inevitable—and even welcome, because it will put a stop to overborrowing. But the clear consensus was that the world was not headed for another Great Depression. At least briefly, chief economist at Manufacturers Hanover Ltd. of New York. "We have been predicting a recession for some time. The drop in the stock market is the last piece in the puzzle." Added Dennis R. Kinley, vice-president of Dean Witter Reynolds (Canada) Inc. in Montreal: "A recession was long overdue anyway. Purchasing power will drop, which will help lead to American trade deficit."

Recess: But many analysts also drew encouragement from the events of last week and the decline of Britain as the world's economic leader in the 1920s, just before the Great Depression of the 1930s. Regardless of congressional and presidential jockeying, says William F. Ryan of *The Wall Street Journal*, "The market broke, in effect, because American leadership on all these [economic] fronts appeared to be crumbling."

Still, Reagan and a host of other observers laid out hope for an end to international debt-leeching on broad world economic reform. For one thing, the Wall Street panic may have helped to reunite the leading nations to take common action on the world's monetary system. A recent proposal by Treasury Secretary Baker to anchor the world's monetary system to the price of a basket of commodities, including gold, gained lustre in the wake of the crash. But that was only one possible solution to one part of a global problem.

—INTERVIEWER WITH DAN AUSTIN in Washington and correspondence reports

'THE GREED FACTOR'

For the 32 million Canadians who play the stock market, last week's collapse of share prices was a gut-wrenching reminder of what stockbrokers casually call the "downside." Over the past six years, retired Montreal executive Arthur Lowe has seen the value of his investment portfolio grow fearful. But by the time trading ended last Thursday on stock exchanges in Canada and the United States, the stock portion of his holdings was worth only 58 per cent of its value one week earlier. In Toronto, the part-owner of a small food service company lost \$20,000 when the value of shares that he purchased with borrowed money plummeted. And as the markets gyrated wildly, even professional traders were trapped. One Toronto brokerage executive, who had been planning to sell his shares to raise the down payment on a new house, lost \$70,000 in two market sessions last week. "I was just a little late," he said. "I watched 30 per cent of the value of my shares vanish in two days."

Bubbles: Across the country, both veteran investors and newcomers to the stock market told similar tales of woe. It was a chilling setback after five years of prosperity in which the soaring stock market came to symbolize an unfettered optimism and a blind assumption that the economy was unshakably sound. As the memory of the 1980-1982 recession faded, it seemed that many Canadians fell victim to a love affair with money. It found expression on television, where the glitz of *Dynasty* and *Dallas* dominated ratings, and in gambling, where a new generation of glossy magazines documented the achievements and lifestyles of the richly famous. In the country's financial capital, Jaguar sedans, Yve Saint Laurent wristwatches and Tudor wristwatches became the emblems of success.

But for some high achievers, the appetite for wealth overcame rational considerations. The international investment community was stunned last November when securities investigators re-

vealed that one of Wall Street's most successful brokers, Ivan Boesky, had made millions of dollars from illegal dealings. Boesky's testimony allegedly led to further investigations in New York, Toronto and London.

Still, the energy of the soaring bull market proved legions—and ultimately,

in many cases, devastating—for ordinary middle-income Canadians. The surging market has attracted about one million new Canadian investors since 1982. And over the past two years alone, we have found that Canadians playing the stock markets have become more daring as they increasingly opted to direct their own portfolios. By last week nearly one in five Canadians added funds riding on the exchanges—the highest ratio ever. Major brokerage houses fuelled the trend by launching aggressive television advertising campaigns and an increasingly eclectic array of investment options. And banks and other institutions were more than willing to offer daring investors loans to buy stock.

Risk: The managers of Canada's major mutual funds also increased their portfolios widely, and their sales increased markedly between 1983 and 1986. Investors like Montreal's Lowe said they believed that mutual funds, which pink-sheerifies for newcomers, were a safer bet for investors who are too busy to follow thousands of stocks that they know little about. By the middle of this year the assets of Canadian mutual funds topped a record \$21 billion. And 57 per cent of that amount was held in stocks—a number that increased as investors pumped an additional \$20 million a day into the popular investment vehicles.

Greed: But the flood of new players over the past few months damaged many market professionals. They were railing in July, according to many experts, share values had already soared too high. Saul Carl Segal, chief economist at Toronto-based investment dealer Dominion Securities Inc., "The vast majority of small folk, driven by the fear that they are going to miss the market, came too late and paid too much. Then they sell too late and receive too little." And in Montreal, Thomas Barbe, a broker with Germain Truhot Inc., was blunt in his assessment of the clouded judgment of many new players. "New-



Lowe: A shock after six years of steady investment gains



Welcome to the
real business world.

camery to the market were buying blind," Burke said. "The greed factor was incredible."

The stampede to the markets was at least in part an aftereffect of the 1981-1982 recession, one of the worst since the Great Depression of the 1930s. Polster is at McKinnon, president of Delta Research Ltd., and that Canadian became measurably more interested in money following the downturn at the beginning of the decade. That concern, he said, sharpened the media's focus on economic and financial success. Perry Williams, editor of the Toronto-based monthly *For Money*, has watched her magazine's circulation more than double to 80,000 copies since its first issue in 1985. Since the recession of the early 1980s, she said, people have become skeptical of getting their money in traditional institutions such as banks and have been increasingly willing to direct their own financial affairs.

Lavie: And as the high-flying stock markets spun off more and more wealth, some observers argued that the pursuit of money was overshadowing such traditional institutions that had made Canadians among the highest per capita earners in the world. The personal savings rate of 8.5 per cent in the second quarter of 1983 was at its lowest level since 1979 and is less than half the 17.8 per cent that consumers shelled away during the 1969 recession. Peter Kitz, 20, of Montreal is typical of the new money-conscious generation. He launched a messenger service at age 18 and two years ago used the proceeds from its sale to purchase a Porsche and a holiday property in the Laurentians. Such "business in the drag of the '80s."

Indeed, the decade's winners have revealed in the obviously expensive spoils of their success. Canadian sales of Jaguar's \$69,000 Vanden Plas model multiplied between 1980 and 1987, and business at such elegant clothing stores as Toronto's Crooks Inc. and Vancouver's Loose—where some patrons spend \$20,000 to \$50,000 a year on clothing—has been skyrocketing. And Carole Boudreau, a model consultant with the Wedding Council of Ontario, said that the marriages of as-

pirs at every income level have become lavish affairs featuring "more bridesmaids, more expensive dresses and more money."

Baskin: But as markets moved upward, few Canadians moved more from it than the brokers, traders and investment dealers who took large commissions on the shares that they handled. Timothy Miller, president of investment dealer Watson Roddell Cochran Murray Ltd., for one, earned more than \$1 million a year as one of Toronto's top stockbrokers. The job also kept him at his desk for 12 hours a day, but for Miller the effort

during a wide-ranging inquiry into alleged insider trading. And last month in Montreal former Progressive Conservative party president Peter Binko was one of seven people named by the Quebec Securities Commission of alleged stock trading. Binko denied any wrongdoing. In Ottawa, evidence provided by Binko has led to charges against Ernest Saunders, the former chairman of brewing conglomerate Guinness PLC, in connection with an insider trading deal.

But with stock markets around the world rocking in the wake of last week's turmoil, large and small play-



Binko, conducting international investigations into insider trading and stock market corruption

paid off. "It's the exhausted episode," he said. "There really is no saturation on how well you can do." Indeed, Miller said that he was in such a solid position after the market's steady growth years that he will be unaffected by its recent volatility.

Saunders: But in many cases the desire to get rich quick appeared to eclipse moral and ethical considerations. On Wall Street, Binko and Dennis Levine, managing director of mergers with Drexel Burnham Lambert Inc., were found guilty of using inside information to make illegal stock transactions when a U.S. Securities and Exchange Commission investigation exposed the scheme last year. Equity markets in Canada and Britain have been rocked by similar scandals—some apparently sparked by Binko's revelations. In Canada, the Ontario Securities Commission earlier this year announced that it was con-

vinced there was an uncertain future. Many investors have been forced to reduce their expectations sharply. A few have seen paper assets dissolve. In Montreal, the value of stocks held by one of Binko's clients collapsed to \$10,000 from \$200,000 in three days. For that wealthy individual, said Burke, the volatility in share prices "was like a roller coaster to hell." And many brokers were already preparing to pick up the pieces of their clients' broken dreams. Indeed, as the market crashed on Black Monday, Oct. 19, one Toronto broker working the floor of the Toronto Stock Exchange tried to find solvation in the rubble, telling his colleagues, "If you think anyone is going to have to sell their house, recommend them to me."

—CHRIS WOOD was in Ottawa, Ontario, and CAROL KILGUS, ROBERT J. SANCHEZ and DAN BURROK in Montreal.



Two powerful ways to deal with it.

If your office seems more like a bunker everyday, it's because the business world is becoming more complex. The battle for sales and productivity increases as the forces of competition increase. There are fewer people at the front line to defend the human line. Never before has the need for clear decisions and strategies been so great. That's what prompted the intelligent introduction of two new members of the Apple®

The Macintosh SE and the Macintosh II. Two powerful, powerful tools ready to stand boldly into the business world. And let you quickly assume command.

Among the fine attributes of the Macintosh SE, there is a built-in floppy disk drive and an optional 20 megabyte hard disk. You can even add another 20, 40, 80 megabytes or more.

If you've got big plans for your

company, the Macintosh SE has a very well camouflaged, yet extremely vital attribute: expandability. Inside its expansion slot gives you the option to tie into other activities, or even work with MS-DOS based data.

The Macintosh II displays a number of admirable characteristics of its own. It's the first Macintosh ever to offer a completely open architecture, which means it can be easily persuaded to do just about anything. The Mac II boasts an advanced 32-bit Motorola 68020 processor as well as a co-processor for breathtaking speed.

Six expansion slots will provide you with some powerful options. For one thing, the Macintosh II is better able to communicate with an IBM mainframe

or run programs written for other operating systems like MS-DOS.

The Mac II can even drive a high resolution colour monitor, dipping into a palette of over 16 million colours.

Both the Macintosh SE and the Macintosh II adhere to Apple's philosophy that people shouldn't have to conform to computers. Computers should conform to people.

Quite simply, Macintosh can bring you something unique to you. An ability to stay on top of the business world. That's what Macintosh is all about. The power to be your best.



The power to be your best.

This advertisement was assembled using the Apple Desktop Publishing System. For more information, please call

1-800-387-9689



AppleLink is the best way to get information quickly and easily from the Macintosh. It's a powerful tool for managing your information. For more information, please call 1-800-387-9689.

More greed than common sense

By Peter C. Newman

It is useful to remember that the 1990 performance of the stock markets last week had little to do with reality. The hard-core moneybags who populate Bay and Wall streets had taken issue of their success over the past 20 months or so, pushing share values far beyond rational levels. It will take some time before smart money returns to the trading floor. The subsequent disinvestment over the stock market as a threat to ride for guaranteed riches will be as painful as the original fiasco was horrifying.

The trick will be to keep the fire doors from spreading beyond the stock exchange to the economy at large and reversing an already fragile tale of growth hampered by unassailable trade and budgetary deficits. Perhaps the only way this can be achieved is to reassert the supremacy of such productive facilities as factories, farms, retail businesses and other expressions of human endeavor that produce something more important than growth and wealth, jelling at one another while waving pieces of paper.

The main preoccupation of North American business has become financial speculation, with equity shares treated like lottery tickets. Instead of pieces of paper representing the ownership of corporate entities whose employees are real people producing real goods and services. There is an element of social productivity involved in such endeavors that is clearly missing from those of the people who buy and sell merely "financial products."

Even bankers aren't trustees of the private sector any more. They have become money schemers, more concerned with new ways of shovelling out lucrative investment opportunities than with preserving economic values or perpetuating productive enterprises.

The enemies of the stock market knew so bounds over most of the past two years, with not only margins and options multiplying the risks, but options on options, as well as futures on options, and leveraged buy-outs—all undermining real worth. The first loyalty of most fund managers was not to their customers—and certainly not to the masses on the pious of paper they were trading. But to their own compensation accounts.

What made the crash—and the subsequent partial recovery—possible was computers, machines that replace hu-

man judgment with mechanical efficiency, buying and selling at pre-triggered levels that have little or no connection with any qualitative assessment of what is actually happening. They have virtually eliminated the thought process and ability to respond to perceived subtleties, which once was the shared flow trader's main stock-in-trade. Using computers to make the long buy and sell decisions isn't that different from walking into an arcade



Financial Toronto broker David Brown.

and shouting from a position of Martin. Firing orders—except that all of us became the victims of these little green chips that now dominate every floor trader's desk.

Another factor in the debacle undoubtedly was the wave of deregulation that has swept the financial markets in recent months. The original notion was to eliminate some of the outdated rules that had originally been put in place after the Great Crash of 1929. But in the process, many worthwhile regulations

that placed elementary controls over human greed were also eliminated—and last week's crash was the inevitable result. The many Wall Street insider trading scandals were an obvious warning of what was about to happen, when hand-offs became an almost daily feature of Wall Street life. It was a clear signal that greed had overtaken common sense and that the bubble was about to burst.

Now that it has, too many observers have drawn the wrong conclusion, warning us that it's 1929 all over again and that we better get ready for the soap lines. It isn't—though if people get to believe it, history could repeat itself, and we could slide into a deep recession.

What most of the gloomsters forget is that had the economy been fundamentally sound in 1929, the effect of the stock market crash would have been temporary and minimal. On Black Thursday (Oct. 24, 1929), \$2,884,650 shares changed hands at prices which, according to John Kenneth Galbraith, "shattered the hopes and dreams of those who owned them." In Canada, on Black Tuesday, which followed on Oct. 26, 1929, half a million shares were traded on the Montreal Stock Exchange, 100 per cent more than the customary turnover. On the one-day rise, 330,000 shares fell under the hammer and the Montreal stock exchanges used the reporting transactions fall so far behind that some desperate shareholders bailed their way into the window galleries and yelled down sell orders to their brokers.

The Great Depression which lasted for most of a decade saw unemployment in Canada rise to close to two million (12.9 million in the United States) and the price of farm produce reduced to one-eighth of 1929 levels. Private-sector investment in the Dominion plummeted by 1933 and 85,000 businesses bankruptcies were recorded. But none of these involved a significant Canadian bank South of the border more than 5,000. Looking institutions went into re-evaluation, eliminating nine million savings accounts.

No one knows at the moment in which direction the world's stock markets are headed. But as long as we remember that they deal in fear and greed rather than in real values, we may survive intact. Meanwhile, as Warren Buffett and Richard and during a stock market crash in a long time ago, "The best time to buy is when blood is running in the streets."



To turn you as both the driver of the lovely car and as one who yields for the excitement of a hot sports sedan, the vigorous progress at Saab present the total fulfillment of the new Saab 9000.

To begin with, there is a car that is undeniably a lovely car. Its interior spaciousness is so utterly convincing, the E.P.R. in the U.S. awarded the 9000 a "large car" rating. Only two reports were so honored, the other was the Roth Royal Silver Spur Limestone.

But the comfort of the 9000 is not the narrowest velocity. The kind that makes a person drive of you. On the road it is a sedan designed to make you a more involved, active driver. With its driver-oriented arrangement of all instruments. The firm, tested seats with their adjustable headrests and armrests. The computer-based automatic climate control.

Under the hood you'll find a 16 valve, fuel-injected 2.0 litre engine to power you smoothly along. Highway and front-wheel drive to track you impressively through turns. A gearbox whose changes are sure and swift and a suspension system with an almost uncanny ability to keep all of the car on all of the road.

The Saab 9000 is available with 4 speed automatic or 5 speed manual transmission and optional leather seats. It pins

the 9000 runs as a member of the Saab 9000 series. Like all Saabs, the 9000 comes with a 3 year/55,000 km warranty and is backed by a national sales and service network.

Visit your nearest Saab dealer and prove to yourself that the car you need and the car you want are one and the same.

Or mail your business card to Saab-Scania Canada, Inc. Product Information, 55 Rennie Road, Markham, Ontario L3R 9A9 9000S

The debut of habit by convention

SAAB

CANADIAN SOCIETY UNDERGOING MAJOR CHANGES

Over the last decade, Canadian society has seen unprecedented shifts, notes a recently-released report on societal trends. Analysts ranging from pure environmental scientists to critical theorists...

major events are marked in terms of language, employment and about of diversity.

Now,
for the rest
of the story.

Economic uncertainty. Homelessness. Family violence. These are just three of the important issues affecting Canadians.

Solving today's problems requires more than just astute government, well-managed business, and creative answers from the labour community — today's problems need to be tackled by new partnerships — in new ways.

And in cities and towns across the country, something exciting is happening through United Way/Centraide.



United Way
of Canada

Centraide
Canada

People are talking. To each other. And working together to build better communities.

Your contribution to United Way/Centraide helps create a forum for the development of important new linkages between the people and organizations that can make this country better.

And that's front page news.

INDIAN HUNTER IN WINTER
11" x 14" shown in hand-finished and gold-leafed frame in front

**EXCLUSIVE PHOTOGRAPHIC REPRODUCTIONS,
HAND FINISHED AND AUTHENTICALLY BONDED
TO ARTISTS' CANVAS.**

15-DAY FREE APPROVAL

At last! Six new titles have been added to the Krieghoff Masterpiece Reproduction Series because of the outstanding response to the first six titles.

Now "The Masterpiece Collector" offers collectors, both new and old, these fine Photostat reproductions of original Krieghoff masterpieces, specially selected to represent a true cross-section of the artist's portrayal of mid-nineteenth century Canada.

Specially framed for home or office, these collector quality reproductions are ideal for gifts as well.

The brilliant colors, the famous portrayals of Canadian Indians and "backwoods" scenes are captured in the finest detail from the original canvases by photography and each print is faithfully reproduced and bonded to artists' canvas.

There is a generous exclusive to Mike Plouffe each print is hand finished by hand with several coats of light- and drip-resistant coating to provide extra luster and permanence. Finally, each reproduction is individually inspected and numbered by Mike Plouffe who will limit fine sales to 2,500 of each title.

The final framed reproductions are amazingly realistic in both color and detail and bring to your home or office the closest thing possible to owning the original masterpieces.

Each fine art reproduction is accompanied by a numbered Certificate of Authenticity

ATTENTION COLLECTORS!

SIX BRAND NEW TITLES IN THE

KRIEGHOFF

MASTERPIECE REPRODUCTION SERIES

A LIMITED EDITION FOR DISCRIMINATING COLLECTORS

INDIAN HUNTER IN A BLIZZARD
11" x 14" shown in gold-leaf
Canadian frame

"NEXT BEST THING TO OWNING THE ORIGINAL"
— L.F. Grant, Toronto

THE TOLL GATE
14" x 17" shown in
gold-leaf Canadian frame

HABITANT RETURNING
FROM MARKET
14" x 17" shown in
hand-finished and gold-leafed Canadian frame

"STUNNING LIKE THE ORIGINAL PAINTINGS"
— G. Blair Long of the Long Collection

INDIAN HUNTER WITH
PISTOL 14" x 17" shown in
gold-leaf Canadian frame

An independent research foundation has tested and approved the color permanence of Mike Plouffe reproductions. You may even touch them in accordance with the instructions provided.

Order today. Clip and mail the coupon or call the toll-free number for program service available to major credit card holders.

INDIAN
PORTRAIT
14" x 17" shown in hand-finished and gold-leafed Canadian frame

REPRODUCED WITH THE KIND
PERMISSION OF MR. R. R. THOMPSON

To: The Masterpiece Collector, 777 Bay Street, Toronto, Ontario M5W 1A7
KRIEGHOFF MASTERPIECE REPRODUCTIONS TO DAY FREE TRIAL OFFER. We please send me the items selected below. I am interested in this system. I may return my unexchanged order with the correct notice of no liability within 15 days for a full and prompt refund or reproduction of any credit card charge.

| | | | |
|----------|-------------------------------------|----------|-------------------------------------|
| QUANTITY | Indian Hunter in Winter | QUANTITY | Indian Hunter in a Blizzard |
| 1 | (Canadian Frame) 1 (Canadian Frame) | 1 | (Canadian Frame) 1 (Canadian Frame) |
| 1 | (Canadian Frame) 1 (Canadian Frame) | 1 | (Canadian Frame) 1 (Canadian Frame) |
| 1 | (Canadian Frame) 1 (Canadian Frame) | 1 | (Canadian Frame) 1 (Canadian Frame) |

SAVE BY ORDERING SEVERAL AT ONE TIME
Price: One reproduction \$175.00 plus \$15.00 shipping. That reproduces four \$175.00 plus \$20.00 shipping.
Two reproductions \$325.00 plus \$20.00 shipping. Five reproductions \$875.00 plus \$25.00 shipping.
Three reproductions \$495.00 plus \$25.00 shipping. Ten reproductions \$1,750.00 plus \$30.00 shipping.
Four reproductions \$670.00 plus \$30.00 shipping. Other shipping rates apply.

Delivery: U.S. and Quebec residents add Provincial Sales Tax (PST) 8%, B.C. 7%, N.Y. 4%.

1) Check or money order payable to: Masterpiece Collector, unattached. 2) Visa/MC/Amex 3) Please charge my 4) VISA/CHARGE/ 5) MASTERCARD 6) AMOUNT \$

CARD NUMBER EXPIRY DATE

SIGNATURE NAME

APT. CITY POSTAL CODE DAYTIME PHONE

Please allow 3 weeks for delivery. Limited time offer.

EXPRESS SERVICE
In the Americas:
Masterpiece Collector, Credit Card
reproduction series delivery
from factory to home
\$4.95
1-800-387-1200
In Canada: 1-800-387-1200
In the U.S.: 1-800-387-1200

Did Czar Nicholas quibble with Carl Fabergé over the price of eggs?



When you are dealing with something quite extraordinary, price somehow seems irrelevant or even irrelevant. Indeed, for those who appreciate fine Scotch, Johnnie Walker Black is priceless.

Johnnie Walker
Black Label Scotch
Whisky

12 YEARS OLD

COLUMN

Preparing for a real election

By Charles Gordon

Next year, or the year after, there will be a federal election in Canada, and it will be all about free trade. With that election campaign, all hell will break loose, the voters will be so pumped up about free trade that the leaders' heretics may not be imported, and it may not even matter if one of them claims he thrusts a couple of lines in the last TV debate.

You would not have predicted that a couple of months ago. Many possibilities were more realistic than that of Brian Mulroney calling a federal election on the free trade issue. Free trade was dead. The regulations were good nowhere, and politicians such as Ontario's Premier David Peterson were finding that the road to political success led right across Brian Mulroney's back.

Peterson's election was the first in which Canadians were given the opportunity to endorse free trade by voting Conservative. In recent months, Ontario voters declined to do so. Free trade was dead. A few politicians liked it, along with some economists, businessmen and academics, but the cultural community hated it, and free trade was failing to catch the imagination of the ordinary people who were practiced they would benefit from it.

Under these circumstances, you would not catch Brian Mulroney calling a federal election on free trade. Aside from a lack of public enthusiasm about free trade, the timing was not right either. Selling free trade as the key to prosperity was not going to work because many of the voters were already experiencing prosperity without it. Furthermore, the unpopularity of Mulroney's party may have rubbed off on Mulroney's favorite issue.

Experts are slow to see the learned attitudes to the effect that free trade was dead. When they looked up, they noticed that the Mulroneys had negotiated a free trade agreement. This caused the experts to revise their thinking to an extent. It also made the free trade election a more likely event.

Suddenly free trade was real, suddenly the opposition rebuked its outrage and denuded a federal election on the subject, and immediately after that the first opinion poll appeared, showing that the people of Canada also favored an election on the subject, and that, by the way, they were pretty evenly divided on the issue.

That same poll, an Angus Reid job

taken early in October, showed the Conservatives on the opening, although still behind the deadlocked Liberals and NDP. Then was the stage set for the Canadian general election of 1988 or 1989. It will be a dance, if you will pardon the political science terminology.

An election that is actually about something will take some getting used to. However, you need not worry too much about being overwhelmed by specifics, such as whether it makes sense to lock ourselves even more closely to an economy as confused as the American one. As in all federal elections, cross-issue facts will disappear. The details of the free trade agreement will not be debated. The election will be fought on emotion. The debate will be about symbols.

An early start in the symbol war was fired the other day by Pat Carney, the federal international trade minister, who asked, "Are we going to make

The voters will be so pumped up about free trade that the leaders' haircuts may not even be that important

tain ostrich feathers and buggy whips even if they're not wearing hats or driving buggies?"

Carney may have been saying this to make a fashion statement, or she may have been trying to tell us that ostrichs do not drive buggies. More likely, however, she was talking as that opponents of free trade are in the hair-and-buggy age.

There will be many such symbols. In general, the election campaign is a time to get acquainted with some of them. While the pre-free-trade era may attach the ostrich feather symbol to their opponents, they use another symbol for their own side. This symbol is money. That is what free trade will bring, according to them: money and lots of it. Money has always been a fairly powerful symbol, and it will be an even stronger one if the Mulroneys can somehow engineer a major recession between now and election day—1988 or 1989, depending on how long it takes. When people are prosperous, they are inclined to opt for the status quo. They become more adventuresome the less prosperous they are. So

if you see the Mulroney government enacting measures that look as if they are designed to discourage prosperity, you will know what it is all about.

Money as a symbol will also show up in discussions of consumer goods. Free trade, it will be argued, will bring about a veritable Big Back Country Mountain of cheap consumer items flowing across the border, if a mountain can indeed tell what is to say, isn't, especially during the 1988 (or 1989) election.

Against such a powerful symbol as money, what can the anti-free-traders, the Turners and Branches of this world, put up? The lion, in the manner. As well as being on the new dollar, the lion is on the lakes of the nation, where the cross paddles, a symbol of the slave, more powerful, more deliberate Canadian way of doing things.

The Canadian way of doing things, it will be argued, will vanish when free trade makes us all into peroxide-Americans. Fast lanes will cross the country, the halibut of the lion will be passed over, the lion's club will be replaced by a more up-to-date symbol—the seal of the polar bear. When the lion goes, so will go other things that make us different from, and better than, the Americans. These include medicine, the CBC, Stratford, linguistic equality and gun control. Back will go the way of the Foreign Investment Review Agency, an early martyr in the free trade wars.

For many Canadians, the lion is an attractive symbol, particularly when an eagle is the alternative. But for many other Canadians, the lion is outdated, particularly for the 21st century. For them, the 21st century is the most powerful symbol of all. Free trade will bring us into it. We will become, it is claimed, more efficient, more prosperous, more competitive, more modern, more confident, more of a mover-and-shaker in the world, instead of being some slow-moving and half-frozen backwater with an tediously complex to boot.

The fear of not being up-to-date is part of that Canadian inferiority complex. So far it has brought us the dumbest elections. Next it may take us out of ostrich feathers and, perhaps, even the cross. By the 21st century we could be trying to get back to where we are now. But that is for another election. With any luck, there will still be Canadian voters.

Charles Gordon is a columnist for The Ottawa Citizen.



The renovation rage in Canadian homes

Federick Janyer Andrew Wood and his wife, New Brunswick civil servant Marguerite Bruden-Davis, now acknowledge that they set themselves an impossible task when they took possession of a two-storey terrace duplex on July 1, 1979. Their original plan was to convert the \$35,000 house into a comfortable single family dwelling within two months—

\$350,000—a factor that had convinced many homeowners to fix up their current homes instead of moving up to larger, more finished—and more expensive—models. And Wilson predicted that the renovation industry would feel better than most in the aftermath of last week's stock market crash. Said Wilson: "This is not a recession-proof

new designs as built-in refrigerators finished with wood as Purveson does panels. Said Wendy Bernard, manager of Ontario-based Heartwood Kitchens Inc., "Everyone lives in the kitchen. It's important to make it look good."

The high buying prices that have prompted many homeowners are also responsible for a West Coast renovation phenomenon known as the Vancouver Special. In that city, many homeowners purchase the fronts of local building bylaws by expanding—or replacing—small single-family dwellings to create multiple-family houses that create the lot lines. Many are twice the size of the predecessors, with at least 2,000 square feet of living space as a typical 10-metre lot.

The jarring presence of these buildings, particularly in Vancouver's core area, has prompted many neighboring property owners to complain to city hall. Declared Raymond Spence, Vancouver's director of city planning, "They're the architectural equivalent of violent paintings." As a result, local aldermen, including former television personality Claude Taylor, are seeking stronger bylaws that would require homeowners to preserve a garden area in existing backyards—instead of crowding them with multiple-car garages in many owners do now. Still, Taylor acknowledges that the city will be unable to force improvements on the backside appearance of many Vancouver Specials. Declared Taylor: "You can't legislate



Eric and Raymond Tins working out, budgeting for exterior.

business, but it is important to people. Many would cut down on decks or trips before they stopped home improvement."

Certainly, many homeowners say that modernizing the bathroom with such features as whirlpool tubs (around \$5,000 for deluxe models, installed) is a relatively easy way to increase home values. And kitchen renovations, which can range from a \$1,500 refacing of existing cabinets to wood or Formica to a professionally executed complete redoing of \$45,000, are also popular.

The Edmonton survey noted that 65 percent spent \$13.5 billion updating their kitchens last year with such

features. Byler dropped aside, many contractors—and homeowners who have completed big remodeling jobs—warn prospective renovators that improvement projects are bound to last longer, cost more and cause more household disruption than anyone can possibly foresee. And the older the home the more frequent the complications, according to many experienced builders. Declared Gerald Skopchegsky, the president of Artch Construction Co. Ltd., a small Winnipeg-based firm that specializes in new-style two-story houses: "There are times when you don't know what you are getting into. Knocking out a



Greenough: old houses and people who know how to restore gingerbread trim

wall to put in a closet is a master bedroom can mean saving lost seats and appliances and restoring a portion of the house." Added John Greenough, whose firm, President Development Inc., performs similar work in Halifax: "There are many problems in the ruins and restoration of old houses, in-

cluding finding carpenters who can work on old buildings—and take the time to restore sections of rotting gingerbread trim instead of simply ripping it all off."

There advice to prospective renovators: map out, if possible, with a big renovation project is completed—and

budget for unexpected cost overruns. Associate Raymond Tins and his wife, Eric, a mortgage consultant, high 28, made arrangements to stay elsewhere for three months recently during a professional renovation of their three-story house in downtown Ottawa, a wedding gift from their parents. But Tins noted that the \$100,000 bill for the renovation was \$20,000 higher than the original estimate—and \$20,000 more than the couple had estimated that the job would cost.

Still, many renovators, like Frederick's Wood, simply have to live with the chance that frequently accompanies home improvements. Instead, said Wood, "We always tried to keep one room as so that we could go in there and relax." To date, he and his wife have spent \$20,000 on renovation materials to improve a three-bedroom detached house that he estimates is worth \$114,000. Their efforts have produced such features as a new kitchen, a spacious entry hall, a larger living room and master bedroom, and a planned terrace. Last week, with the project still far from complete, Wood looked back on the work already accomplished and added, "I don't think we could do it all again with the same joyosity." But the thriving state of the renovation industry indicates that many Canadians are taking that risk in order to get a more beautiful, and more valuable, home.

—MARGARET GLENN with correspondence from across the country

Saviors of an Island church

St. Mary's Roman Catholic Church on Indian River, P.E.I., is one of 28 churches designed by Canadian architect William Harris (1884-1970)—and one of about 300 Harris buildings still surviving in the Maritime provinces. A year ago the church, with its 175-foot tall steeple, elaborate turrets and gothic windows, was threatened with demolition. The 30-familial congregation had lacked the funds needed for maintenance and restoration. But a determined group of Island citizens raised more than \$200,000 to save St. Mary's, completed in 1902, and at the same time helped to spark interest in a Victorian architect's legacy. Said parish priest Kevin Mayhew, who organized the drive: "Harris's architecture is a symphony of strength and beauty."

Born in Liverpool, England, Harris moved to the Island as a child and spent time as an Nova Scotia farmer as well as his life, largely unknown outside the region despite the hundreds of elaborate buildings he designed. Now the fund-raisers are hoping that

St. Mary's restoration will help make his name better known. Over the past year the group raised money by accepting donations, delivering poems and selling shingles with etched pictures of the church. They even put the church's 12 statues of the apostles up for "adoption"—for \$2,500 each.

Although Harris's architecture can only be seen in

the Maritimes, none of his buildings have been lost. Since 1970 and August 28th, about 40 remain in P.E.I., and more survive in coastal Newfoundland, such as one former church now used as a summer cottage. But because of the efforts of a small group of people, at least one of the Victorian buildings has been restored.

Said Robert Brown, executive director of the Maritime Museum in Miramichi, N.B. for Hillsborough, P.E.I.: "William Harris designed churches, homes and public buildings. He was a co-ordinator of the construction of the University of New Brunswick's special 'spire'."



St. Mary's steeple: reason

—BARBARA MURPHY
DREW in Indian River

Playing with radiation

The events that unfolded in mid-September in Goiânia, a city of 950,000 in central Brazil, began as a modest entrepreneurial venture—and developed into a tragedy of global proportions. On Sept. 15, Wagner Nova, 18, and Roberto Santos Alves, 46, who earned a meagre livelihood collecting garbage and doing odd jobs, found a

topped only by the devastating 1986 explosion at the Chernobyl reactor in the Soviet Union. Lóide and her 22-year-old aunt, Maria Gabriela Ferreira, had died by week's end, while 10 others, including Lóide's father, were in critical condition in hospital. At least 41 other people, including Lóide's mother, Lurdes, were hospitalized in Goiânia.

When they left, the doctors simply wheeled the radiotherapy machine and left the building to demonstrate into ruins without windows or doors. On Oct. 10 the three factories were radiated on orders of causing great injury. But energy scientists and ecologists are placing most of the blame for the accident on the CNRS, established in 1966 to encourage nuclear development. For something, the radiotherapy machines containing the cesium 137 had not been inspected in five years, either by the doctors or by CNRS officials. Nuclear physicist José Goldemberg, rector of the University of São Paulo, 500 km north of Goiânia, took issue with the dual role of the CNRS, which is responsible both for developing nuclear projects and monitoring their safety and security. José Goldemberg says, "We want a profound reformation of the CNRS. The question of accountability in Brazil's nuclear industry is a very serious one."

Indeed, it was clear from the beginning that the CNRS underestimated the severity of the problem. At least 42 of its technicians did not wear protective overalls, hoods, gloves or boots while carrying out decontamination. And no one remembered for several days to decontaminate the ambulances used to take the victims from Rio de Janeiro's Santos Dumont airport to the city's naval hospital—one of only two hospitals in the country with facilities for treating radiation sickness.

Still, crisis press spokesman Marcelo do Prado said that the accident will have no effect on the development of Brazil's nuclear industry. But in the aftermath of the disaster, CNRS president Rex Muzari outlined another concern: by announcing plans to bury the contaminated objects from Goiânia, a thickly forested mountain in the state of Pará, roughly 1,000 km north of Goiânia. The critics' concern springs from the rocky ridge are the source of drinking water for at least three cities in Pará and neighboring Mato Grosso.

Meanwhile, a fear of the unknown persists among the residents of Goiânia, a poor city in Brazil's east-central region. Many people are blaming the suspected decontamination of João Américo from a representative of Goiás state's department of the environment, says that he fears the city will suffer lingering effects of the accident for years to come. São Américo "The whole country will have a radiation fear for Goiás. The state will suffer a decline in its agricultural exports and even in the sale of clothing manufactured in the city," Lóide Chernobyl, Goiânia has come to symbolize the vulnerability of innocent people to the mishandling of a powerful technology.

—MARIA DWYER in Rio de Janeiro

ETHICS

A life-giving death

For the parents of a newborn baby girl who had an chance of surviving, the decision was agonizing. But according to the Griffin, Cal, couple—identified only as Karen and Paul—donating their infant daughter's heart to their another baby could live has helped to comfort them after their own child died. Karen gave birth on Oct. 15 to six-pound, three-ounce Gabriel, who had been diagnosed in the womb as anencephalic—without a brain. Two days later doctors declared Gabriel, who had been baptized Roman Catholic, to be clinically brain dead, and nearly 41 hours after that another newborn, Paul Hale of Surrey, B.C., received her heart in a pioneering operation in California—bypassing the program heart transplant patient over. At week's end, the official report on Baby Paul, born on Oct. 16, had improved, previously listed as serious but stable, his condition was changed to fair in Los Angeles University Medical Center, 36 km east of Los Angeles that the procedure that saved the life of the six-pound, six-ounce girl born with a fatal heart disorder has sparked an ethical debate about keeping infants alive artificially so that their organs can be used for others.

Throughout North America, doctors are required to comply with standards set by a single definition of what constitutes clinical brain death. Under that definition, doctors must do all brain activity in some cases, or weakly—most notably, the breathing function. For 12 hours after her birth in Griffin, Gabriel breathed on her own. Then doctors transferred her to the Children's Hospital of Western Ontario in London and placed her on a respirator to ensure that her organs stayed healthy. It was not until 30 hours after she had been on the respirator that a team of London doctors determined that the baby was unable to breathe on her own and pronounced her dead. Gabriel was then transferred to Loma Linda, on a chartered jet. Technically and legally, according to Edward Koyanetsky, a member of the McCall Centre for Medicine, Ethics and Law in Montreal, the child was dead at the point when she could no longer breathe on her own. Still, some observers have argued that doctors have no way of knowing exactly how long an anencephalic child could survive on life-support systems.

But some critics said that even though doctors technically followed



Gabriel's parents, Paul and Karen, agonizing decision

the rules they still tampered with life. Before Baby's Heart Project of Toronto's Holy Family Temple, for one, acknowledged its own conflicting opinions. "I'm glad another life was the chance," declared Plaut. "But the question is, at what cost?" And Dr. Tim-

othy Freese, director of pediatric critical care at Children's Hospital, said that he "went through a lot of mental distress" about the procedure.

But Freese also said that keeping an anencephalic patient's organs alive and transplanting them has set an important precedent at a time when organs are in short supply for children under the age of 2. Indeed, according to Dr. Carlos Heller, chief of organ transplant at London's University Hospital, from 40 to 70 per cent of infants who could be saved by transplants die before organs can be found for them. For his part, Rev. John Gallagher, former director of the Cardinal Curia Centre of Bioethics in Toronto, said that there was no reason to object to keeping Gabriel alive long enough to help Paul. "If it is done with dignity," and the priest, "I don't see why it should not be done to babies as long as it is not an assault on their dignity."

—NORA UNDERWOOD in Toronto



Radiation checks in Goiânia: a reactor disaster surprised only by Chernobyl

large metal machine in an abandoned reactor office. They loaded it into their wooden handcart and took it to local scrap metal dealer José Ferreira, who bought it for \$20. The men broke open the heavy lead casing with hammers and found a luminous blue powder inside. Santos rubbed it on his right arm to watch it glow. Ferreira gave some to his daughter, Lóide, 6, who played with it—and later, with fingers glowing, ate a piece of bread. The group later showed the glowing powder to visiting families and friends. Eventually, at least 245 people were exposed to the powder—and contaminated by it. What they did not know was that they were playing with death in the form of a radioactive substance called cesium 137.

The release of the powder from the radiotherapy machine, which had been used to destroy tumors in cancer patients, had developed into the worst nuclear accident in the world,

(pronounced Goy-ah-see-ah) and at the Marília (doo-mah-ree-ah) hospital in Rio de Janeiro, suffering from the effects of severe contamination. Shining internally, losing their hair and teeth, they are weighed with deep, burning pains and their skin is swollen and blistered. On Oct. 14, Santos's son was agonized. Many more local residents, doctors say, will eventually develop cancer. Nuclear authorities were first alerted to the nature of the Goiânia disaster on Oct. 1. Since then, technicians have checked more than 34,000 people with Geiger counters at the city's soccer stadium. But the slow response has opened a debate on how effectively Brazil's fledgling nuclear industry is monitored—as the ability of the National Commission on Nuclear Energy (CNSN) to deal with nuclear emergencies.

Three factories had caused the private downtown clinic, but in April they were evicted after the state bought the prop-

IDENTIFIED TYING OBJECT

The vodka power boyking, is it your choice? Or someone else's?

Red Devil Whisky is blended through hand-crafted distillation for consistent purity and smoothness.

SHOW YOUR TRUE COLOURS.

Red Devil Whisky is a registered trademark of McCallum Distillers Inc.

We've got the competition looking over our shoulders.



For as long as anyone can remember, colour monitors have relied on conventional, curved cathode ray tubes. Now Zenith has changed all that by developing the first and only monitor with a perfectly flat screen. The visible result is brighter, sharper images, as well as clearer, crisper character definition.

Introducing the new Zenith Flat Technology Monitor. It's a monitor you'll want to look at, because now you'll see a display that's as comfortable to look at as a printed page or a fine colour photograph. Images are so discernible that accurate measurements can be taken directly off the screen.

This unique 14-inch flat monitor

uses Zenith's exclusive "flat screen mask" tube technology. Combined with a special non-glare screen treatment and a high frequency scan rate, it results in some truly important advantages over conventional monitors.

Even in normally lit offices where glare and the resulting fatigue were once a real headache, the new Zenith ZCM-1490 outperforms its competitors. Fact is, Zenith's non-glare flat-faced monitor reduces glare up to 95% over competitive monitors. It's far to say that the ZCM-1490 in brilliance and contrast exceeds far more costly professional graphics displays.

In terms of application, the Zenith ZCM-1490 is designed to support the high-resolution output of IBM's Personal System/2 and

compatible video cards such as graphics Z-499. As well, the video card supports CGA, MDA, Hercules and EGA software.

Excellent reasons all, for the overwhelming popularity of Zenith technology, be it in monitors, terminals or microcomputers. Their compatibility and flexibility of application make Zenith the choice of governments, corporations and associations of higher learning.

For more information simply send us your business card or complete the coupon.

That way you can see for yourself why Zenith's new ZCM-1490 is so impressive, while the competition is still looking over your shoulder.

NAME _____
TITLE _____
COMPANY _____
ADDRESS _____
CITY _____

THE COUPON TEL _____
Zenith Data Systems, 1330 Midland Avenue
Toronto, Ontario M5S 1C3

ZENITH data systems
THE QUALITY CRIES FOR SERVICE THE NAME DOESN'T

SPORTS

An oddly appropriate end

Long after the victory celebrations in a town and the late fall season is returned to football and hockey players, the 94th World Series will be remembered for its quirk as much as for its quality. Among other oddities, the culmination of the 1991 season featured the first-ever indoor Series games, the lowest-ever prime-time TV rating for a Series game, and the first-ever Series game delayed by a U.S. president's press conference. The St. Louis Cardinals took a World Series record by striking five batters in one game. And Minnesota Twins pitcher Joe Mauer set a new mark for playing the longest time in the major leagues—19 years and 136 days—before appearing in a Series game. Yet, despite the bonanza of the Cards and Twins, which stretched the Series to seven full games, the most critical factors were the respective bull pens.

Confronted to the competitiveness of Municipal's Hubert R. Humphrey Metrodome—excluding its 16,000-foot-long ceiling, glass seats and 20-foot wall of plastic curtains in right field—the Twins invited the Series with the best home record in the majors: 60 wins and 26 losses in 1991, including the League Championship Series. True to form, the Twins hammered the Cards 10-1 and 8-1 to lead the Series by two games. While the Cards lost track of two fly balls in the opening games, the biggest adjustment they had to make was to the noise level in the dome.

During the second game, 36,975 screaming fans registered an incredible 115 decibels on a noise measurement station—equivalent to the sound of a jet airplane taking off 100 feet away. Indeed, when Twins shortstop Greg Gagne stood at home plate after teammate Don Gladden had struck a grand slam home run in game one, he felt a tugpin in his suit. Gagne ("I asked [St. Louis catcher] Doug Pate if his ears were ringing, and he couldn't even hear me." Added Twins designated hitter Don Baylor: "When you play in front of a big crowd anywhere, you need travel vision. But when I joined the Twins, I had to develop tunnel vision.")

The Twins also played to form in St. Louis, where the cheering was all directed at the Cards. With the worst road record of any present winner in history—20 wins and 32 losses—Minneapolis lost all three games in the outdoor cavern of Busch Stadium. Long



Lawless admiring his home run quirk.

fly balls that would have been home runs back home were way out in St. Louis. Meanwhile, with Gene Smith performing his usual miracles at shortstop, the Cardinals were almost flawless, slapping 20 hits and stealing eight bases. But the Cards were as shocked as the Twins when third-string catcher and part-time infielder Tom Lawless led the team to victory on game four on Oct. 21. A veteran of five major-league seasons, Lawless, 36, had just two hits in 25 at bat in 1991. And in 364 major-league plate appearances, he had hit just one home run. But Lawless' close-run homer—his first since April, 1984—propelled the Cards to a 6-1 lead and a 7-0 win to tie the Series. Said Lawless: "I just stood there and watched it and said to myself, 'Holy cow.'"

The Twins were talking to themselves after game five, when a bad bounce, a fumbled bunt, an error and two stolen bases yielded three St. Louis runs in the sixth inning. The Cards, reeling from victories and seemingly out of the Series after losing two in Minneapolis, won the game 4-0, taking the Series lead as the teams headed back inside the dome. For a quirk, but less-than-compelling Series, that was a fitting place for the finale.

—BIL GUTEN with newspaper's reports

BEAU TIE

Are you choosing your tie to suit your tie?

That's what Beau Tie is all about. It's the only tie that's not just a tie, it's a statement. It's the only tie that's not just a tie, it's a statement. It's the only tie that's not just a tie, it's a statement.

SHOW YOUR TRUE COLOURS.

Beau Tie is the only tie that's not just a tie, it's a statement. It's the only tie that's not just a tie, it's a statement. It's the only tie that's not just a tie, it's a statement.

PEOPLE

Swedish-born poet Joseph Brodsky had just sat down to lunch in a London Chinese restaurant with British novelist John le Carré when he was called away by a friend and told that he had won the coveted Nobel Prize for Literature. Brodsky, 37, who now lives in New York, is the second youngest writer to win the \$440,000 prize, after French writer Albert Camus, who was 44 when he won in 1957. The Swedish Academy described Brodsky's writing, which has been translated into more than a dozen languages, as "rich and intensely vital work." Said the poet, who was expelled as a "social parasite" from the Soviet Union in 1972, where his work

made-for-TV movie, *Beate*, won first prize in the TV arts category at the annual Cannes in Film Festival. The award is the 62th top prize for his \$2.4-million National Film Board series about Baltic women. Daughters of the Country, which has been sold to TV networks in six countries. *Beate* is the story of a native woman who marries a Scottish farmlander in 1775. Said Brodsky, who last week learned that his series has received five Gemini Awards nominations for excellence Canadian television: "I wanted to make a drama about the women who were left out of the history books."



Wright is pitiless in *Highlander at Bay*



Keaton: the challenge of 'teasing out with babies'

evoked (singly): "I was very surprised when I heard the news." He added, "And I neither regret that I had to break off that lunch."

Across *Diary*, Keaton says that she loved "jumping out with babies" during the filming of the just-released comedy *Diary*. In the movie, the Oscar-nominee portrays a career woman whose glamorous New York City life turns chaotic after she inherits a 13-month-old baby from a cousin. The result: her career is derailed, she loses her boyfriend and the movie with the baby to the Vermont countryside. Keaton said that working with the one-year-old twins, *Michelle* and *Kristina Kennedy*, of Long Island, N.Y., who alternately play the baby, proved a challenge. Said the 41-year-old childless actress: "They kept me on my toes." Added *Diary* director Charles Shyer: "Every time we'd say cut, Michelle would applaud."

Independent Wrapping producer *Norrs Bailey* is getting used to winning awards. In Los Angeles last week he

said, the 21-year-old former model said that acting in his first movie was overwhelming. "I was delighted that I would feel that I would be loved," acknowledged the Dallas native. But she added: "Rob Reiner was wonderful. He reassured me every day and said, 'Don't worry about it. We love you.'"

The verdict is still out on what is fashionable for Quebecers this season, but the *Silencio* du Québec, the province's police force, now has striking new uniforms from Montreal designer *Brian Chouin*. After 35 years of the same style of pants and A-line skirts, the force's 2,500 uniformed officers are now upgrading in and out of fashionable plaid pants and divided skirts in the traditional olive-green colour. While no one would ever think of Chang's

contrast, *Silencio* spokesman Michel Muller said, "We chose him because he's the best." For his part, Chang, 44, who went on patrol with officers to determine their wardrobe needs, said: "They love the uniforms so much I think the point is that if you look good, you perform well."



Moore: secret police

Bouvier prize. Said Moore of his trip to the Soviet bloc: "I have never returned. My one experience of a totalitarian country was enough."

—KYNONE-COX with correspondents' reports

Wrap it up write now

...with gifts of
Maclean's
for Christmas
—order them today!

Here's the "write"
way to turn holiday
shopping from hunking to
HO-HO-HO: just put pen to
paper and give your friends
a year-long gift of Canada's
weekly newsmagazine at special
low holiday rates!

Your gift brings them 52 fascinating issues of
lively, incisive news coverage... the people and the
places... from a uniquely Canadian perspective.
"It's better to give AND receive; and don't

forget! about your gift... this classic, executive-styled
pen... You'll admire its sleek, slim lines and unique
hexagonal shape... you'll appreciate its secure,
comfortable grip and fine, free-flowing nib. As unique as
your own signature, it's a gift you'll be proud to own and
use. And no one would ever guess it's your bonus for giving
Maclean's at up to 58% off the cover price!

You'll also get beautiful UNICEF greeting cards free
to announce your gifts. And, if you prefer, you can pay
after January 1st, 1988.

So take a moment now to complete and mail
the attached order card!

WISH THEM A MERRY MACLEAN'S

Free Gift only \$39.98, Extra Gifts just \$37.98 each
GST extra (includes reg. \$45.50 by subscription)

...AND A GREAT NEWS YEAR!

If order card is missing, write to: Maclean's, Box 4945,
Staten A, Willowdale, Ontario M2N 6A7



It is a true renaissance. Angles have yielded to curves, new ideas have been formed and perfected.

It is a true fusion of economy and luxury in performance and perception.

It is the 1988 Toyota Corolla.

The concept of the "economy car" has been completely

rethought. A respect for the elements — wind, rain, snow, heat — has led to more flowing lines, aerodynamic form, a longer and wider stance, instead of the conventional "square box on wheels."

Multi-valve technology now permits a compact car to successfully compete with nature. With its

impressive, new, 1.6-litre twin-cam engine with 16 valves, Corolla

Sedan offers the luxury of power in an economy car, rather than a power struggle.

Our commitment to craftsmanship is sweeping — a single glance at the interior confirms this. It is reflected in the rear view mirror, in the dash board, in the contours of the seats, in the space surrounding all four

WE WARRANTY QUALITY 5/100

1988 Toyota, its body assembly, frame, engine, transmission and suspension, all 5 years or 100,000 miles, whichever comes first. All Toyota cars have a 3-year or 50,000-mile powertrain warranty. Always consult your local Toyota dealer for details.

passengers, not merely the driver.

The 1988 Toyota Corolla. It is eminently affordable. It is a modern masterpiece.

Once you experience it, there is no turning back.

TOYOTA

WHO COULD ASK FOR ANYTHING MORE.



Available in sedan, coupe, or wagon.



Presenting the 1988 Toyota Corolla. The experience has changed forever.



Taggart, Wolfe: from absurdist farce to an overblown ode to the underworld

FILMS

The outlaw entertainers

WORDS

Directed by John Hancock

Conceded of armed robbery, Lee Unstetter (Nick Nolte) is serving his sentence in San Quentin with no possibility of parole. After several unsuccessful suicide attempts, including one from an upper-story window which leaves him badly injured, Unstetter turns in desperation to the prison library, reading classic works of literature to pass the time. He starts to write and then stages his own play. Words & Drama ensue named Lillian (Rita Taggart) arise the production and writes a rave review for a San Francisco newspaper. Tirelessly performing the California governor, Lillian goes with Unstetter's release. He rounds up a group of freed friends and forms the Barbed Wire Theatre, which tours the country with his play. That story, retold in the movie Words, is based on fact—the experience of ex-convict Rita Clayson and the San Quentin Drama Group. But Words is both so uplifting and so contrived that it seems like the stuff of inspirational fables.

Among the movie's flaws are the supporting cast—a group of ex-convicts aptly enough to work for Melvin Torma—and the inconsistent script, written by John Hancock and his wife, Dorothy Tristan. Directed by Hancock (Jury the Dream Show), the film is at one moment absurdist farce, at the next an overblown ode to

the downrodder, yearning for freedom. The latter theme is evident in the film's title, a playing metaphor that likens prisoners to words almost unattained they keep growing, even through concrete. The film score, which borrows music by Gustav Mahler and Richard Wagner, underscores that one, wearing its self-importance as its sleaze.

Still, Words is compelling, mostly because of the performance Nolte manages to make Unstetter an endearing combination of the hard-boiled and the naive. As it follows the troupe's tour, the movie stretches in deflection, if not entirely believable, bits of behavior from each actor. As Manzana, the only inmate aside in the troupe, is a babe-in-the-woods among the ex-convicts, William Forsythe plays a dumb shaggy who cannot get anything right; John Tuley-Bay is a gump with a heart of gold, and Lane Smith, as an ex-convict, is highly critical of everyone else's appearance, yet wears a tanger that chafes with his natural hair.

The movie's conclusion, a murder-suicide prison riot, lacks of conviction. Ultimately, it hears about as much relation to the reality of prison life as the sequel to Rocky do to the world of professional boxing. Words has merits, but with its own posturing and rhetoric, it is deeply overgrown.

—LAWRENCE OTOOLE

Oh, what a lovely war

SHOPE AND GLOORY

Directed by John Boorman

John Boorman's semi-autobiographical member of the London Blitz is the first real comedy about the subject. In *Shope and Gloory*, the Second World War—seen through the eyes of seven-year-old Bill Bohan (Schattus Rice Edwards)—is an extended school holiday, and Boorman gives death and destruction an almost skittish casual atmosphere.

The Blitz is the most exciting thing Bill has ever experienced. First, he is impatient for the Luftwaffe's bombs to start falling. When they do, he regards them as magical amusements and goes treasure hunting for pieces of shrapnel. He joins a gang of kids who hang out in bombed-out buildings and who love destruction. "It's time to smash things up," Roger (Micky Taylor), the gang leader, speaks in innocent delight. During a nighttime bombing raid, Bill's teenage sister Dawn (Baron Davis) cries, "Come see the fireworks!" Boorman's memorable images recall a specific time and place—and makes the experience of youth.

But for the children of the Blitz, pleasure is mixed with fear. As Bill passes a stretch of rubble, he hears what he thinks are groans of pain. In fact, it is the sound of sewers. And the Bohans know their share of heartache: they escape the bombs only to have a domestic fire destroy their house. As Bill answers his mother's soldier, his mother, Grace (Sarah Miles), consoles him with the words, "They're only bombs."

Boorman, who directed *Exorcism* and *The Emerald Forest*, invests his memories with strong emotions. *Shope and Gloory* draws the audience in like a war, gentle and. But the movie settles in a whispering, caustic hum. After the Bohans' house burns down, the family moves to the country to live with Bill's grandparents (Anne Leon and Ian Hazen). The grandfather is a criminally loving old man to whom Boorman devotes far too much screen time. It is unfortunate that a film so lovely and involving as *Shope and Gloory* flickers out before the end. It leaves a feeling like that experienced by the uprooted Bohan children—longingly cheated.

—L. OT



ONTARIO'S NEW CANADIAN PARTNER SHIP.

A new airline has taken wing in Ontario. An airline operated by Ontario Express that's part of the worldwide network of Canadian Airlines International. An airline that serves 9 key cities in Ontario. An airline known as Canadian Partner.

We've got the schedules.

Canadian Partner's fleet of Jetstream 31s, manufactured by British Aerospace, can fly you between Toronto and Windsor, Sarnia, London, and Kingston with more daily flights than any other airline. It's our commitment to provide business flyers in Ontario with the best schedule.

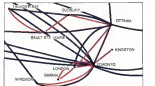
We're expanding.

Canadian Partner is pleased to announce expanded service to Ottawa, Sudbury and St. Catharines. And on September 6th we'll spread our wings to include Thunder Bay in our network. Plus, we'll be adding a 10th flight daily between London and Toronto. It's all part of our expanding Canadian Airlines network that already flies you to more destinations in Canada than any other. And to five continents too.

We're a member of Canadian Plus.

Canadian Plus is the best frequent flyer program in Canada. It's free to join and gives you free trips sooner. Plus you'll receive a minimum of 800 points every time you fly with us. And as a bonus, you will receive an additional 1,000 points each time you fly Canadian Partner between August 17th and September 13th.

When you fly on business in Ontario, there's only one airline network you need to know—Canadian. For reservations call your travel agent or Canadian Airlines at 675-2231.



| TOURIST TO | SERVICE | — Canadian Airlines | — Canadian Partner |
|------------|------------------------------|---------------------|--------------------|
| Windsor | 5 flights every business day | | |
| Sarnia | 5 flights every business day | | |
| London | 9 flights every business day | | |
| Kingston | 4 flights every business day | | |

*Flights ending September 13th

Canadian Partner
Operated by Ontario Express

TORONTO TRUST CEMETERIES

A part of Toronto's history:

Reader Alert in a series

Since the opening of Mount Pleasant Cemetery in 1875 (the Toronto Trust Cemeteries have remained committed to preserving and enhancing the natural environment where ever possible. While this holds true on all nine of the properties, the Mount Pleasant observance is certainly the most famous. Thousands of above and above trees and shrubs thrive in what has become one of the great seasonal gardens of Canada and nationalities are among our most frequent visitors.

Compare us

We invite you to compare the services and facilities offered by Toronto Trust Cemeteries. For more information phone 960-5443. There is absolutely no obligation and no sales person will call on you.

Toronto Trust Cemeteries is a non-secular, non-profit, public service organization commemorating its 100th year.

*Brookdale Northview and Crematorium
Mount Pleasant Cemetery, Crematorium and
Shedburn (Toronto)*

*Prospert Cemetery, Crematorium and
Mortuary (Toronto)*

Park Hill Cemetery (St. Catharines)

West Cemetery (North York)

Burham Cemetery (Scarborough)

*Elgin Hill Cemetery and Crematorium
(Markham)*

*Woodbine Cemetery, Crematorium and
Mortuary (Scarborough)*

*Toronto Cemetery, Crematorium and
Mortuary (Scarborough)*



TORONTO TRUST CEMETERIES
COMPARE US

FOR THE RECORD

Sex and destiny

VERDI: LA FORZA DEL DESTINO

*La Scala Orchestra
MOZART: THE MARRIAGE
OF FIGARO
Vienna Philharmonic
Conducted by Riccardo Muti
(Angel/Capitol)*

Riccardo Muti, the music director of La Scala in Milan, has a driving way with Italian opera. *La forza del destino*, Verdi's sprawling tale of passion, coincidence and revenge—which recently opened the Canadian Opera Company's season with mixed success—merges a little lessened from Muti's energetic assault. But it is still impressive in its sweep and style. The plot of the recording is the last-minute wedding of Placido Domingo as the face-hugger Don Alvaro. Domingo captures Alvaro's aristocratic manner, lovelessness and spiritual torment with heartrending intensity. Muti's other soloists rarely live to Domingo's achievement: Giorgio Napolitano as Don Carlo comes close, but Mirella Freni as Leonora often sounds too harsh and coolly professional. The qualified success of the album curiously mirrors the uneven brilliance of the opera itself.

By contrast, Muti's recording of *The Marriage of Figaro* features a dashing array of well-matched singers. Thomas Allen (Figaro), Jorma Hynninen (Count Almaviva), Margaret Price (The Countess) and Ann Murray (Cherubino) all seem caught up in an atmosphere of excitement, nerve and charm. The blend of voices in their many duets, trios and the celebrated sextet is a delight. And such is highly sensitive in the individual roles.

Even among such company, one voice shines with charismatic radiance: American soprano Kathleen Battle as the coy and mischievous Susanna. Battle gives an utterly bewitching performance. Highly attuned to Mozart's sparkling comedy of confusion and philandering, her voice has an amazing subtlety as she switches back and forth from coquetry and calculation to warmth and anxiety. The conducting is less subtle than in the Verdi, and the Vienna Philharmonic softens the La Scala Orchestra's performance in *La forza*. Muti clearly revels in the battle and effectiveness of Mozart's music and fosters a party atmosphere in which the whole opera glows.

—JOHN PEARCE

INVEST IN

THE MONEY SHOW

A 30-minute review of the week's business news with host

Pat Blandford

For people who like to get the most from their money

Sundays 6:30-7:00 p.m.

on

TEN-TEN
CFRB
AM STEREO

Sponsored by

20/20 GROUP
COMMUNICATIONS INC.



Entré. The brains behind business computers.



Using one of Entré's computer solutions means that you have the most software available for your business, at the lowest price.

Computers are not a miracle cure. Even equipment with a famous name (or initials) doesn't guarantee your office will double its productivity overnight.

To get the most out of a system, you should buy it from someone who not

only understands the technology but understands why you need it. You should buy it from someone who not only understands the technology but understands why you need it.

We talk to the people who'll be using your system, and ask them how we can make their transition from pencil to print our easier.



It's not just the computer that has to be working on your computer. It's the people who use it.

888 Eglinton Ave. W.
Toronto, Ontario
M6R 1A3
(416) 483-0034

6347 Yonge St.
Walden, Ontario
M2M 3G8
(416) 226-6680

155 University Ave.
Toronto, Ontario
M5H 3S7
(416) 863-5833

1521 Trinity Dr.
Unit 13, Mississauga
Ontario L5T 1G6
(416) 673-7777



gone through capability and compatibility testing at our corporate centre. Once we install your system, you can depend on us to keep it up and running.

As an authorized service dealer for IBM®/COMPAQ® and many other leading manufacturers, we can often service your system right at your office.

Our Entré-Centre offers a simple approach to a complex technology. We make it our business to understand computers and understand you.

It's the only way we know to build a relationship that will last a long, long time.

ENTRÉ

COMPUTER CENTRE
The brains behind business computers®

Entré-Centres are authorized service dealers for IBM, Compaq, and many other leading manufacturers. We can often service your system right at your office.

Then we start being our hands. Keeping a mind everything we've learned, we configure a system that's simple enough for your daily routine, sophisticated enough to accommodate future growth.

We have access to an inventory of more than 2500 products, from more than 80 manufacturers. And we know exactly what each product can, and can't, do. Everything we recommend has under-



As an authorized service dealer, we can often service your system right at your office.

gone through capability and compatibility testing at our corporate centre. Once we install your system, you can depend on us to keep it up and running.

As an authorized service dealer for IBM®/COMPAQ® and many other leading manufacturers, we can often service your system right at your office.

Our Entré-Centre offers a simple approach to a complex technology. We make it our business to understand computers and understand you.

It's the only way we know to build a relationship that will last a long, long time.

ENTRÉ

COMPUTER CENTRE
The brains behind business computers®

Entré-Centres are authorized service dealers for IBM, Compaq, and many other leading manufacturers. We can often service your system right at your office.

BOOKS

The loved and the lost

NEVER LET GO: THE TRAGEDY OF KRISTY McFARLANE

By Tim MacDonnell
(MacMillan of Canada,
272 pages, \$19.95)

In August, 1989, Kristy McFarlane, a 14-year-old high-school student, planned to meet a girlfriend at a Toronto mall for some back-to-school shopping. That night she vanished. Her 10 p.m. curfew for the first time. Three days passed before her mother, Sheila McFarlane, saw her again. In the interim, Kristy had ditched in Ontario and prostitution. She would return to the authorworld known as the street again and again. *Never Let Go: The Tragedy of Kristy McFarlane* describes a divorced mother's 24-year struggle to pull her child back from that abyss.

The author, broadcast journalist Tim MacDonnell, traces the failure of "a naive industry we have become by one child's willful defiance." Following her first arrest, Kristy bounced from detention centre to treatment centre—and back home. It was a no-loss situation for the girl, MacDonnell writes. "She was happy to be on the street, and when at home, she was swallowed in lawsuits and affection from her mother."

The book's skilful blend of tight, journalistic prose and first-person anecdotal from both mother and daughter makes the two come alive on the page. Despite that, the author can offer no real answer to why Kristy was so driven to the danger and degradation of street prostitution unless money been prohibited, she was not running away from an abusive or neglectful home.

MacDonnell began interviewing the two women last year, at a point when it seemed that Kristy's mother had won her battle. The courts had ordered Mark Wexler, Kristy's school-chancellor-jump, to a record 12-year prison term. Kristy was living at home, transformed back into what MacDonnell calls "a friendly fresh-faced kid." But last February Kristy was found in a hotel stairwell, dead from a massive heroin overdose. MacDonnell does not try to analyze the reason for the tragedy, which occurred while he was writing the last section of his book. *Never Let Go* ends as Kristy's life did, with a chilling legacy of unanswered questions.

—DORLING JAMES



MEETINGS & BANQUETS

The success of an important meeting or conference often hinges on the excitement of a superbly crafted luncheon or dinner banquet. The Prince offers you the entire package - meeting rooms, including the majestic Prince Ballroom - menu planning - theme development and a myriad of support services to ensure a successful event. Plus, free delegate car parking.

Toronto



PRINCE HOTEL

882 Yonge St. (at) 101-103, Ontario M5B 2-4

Reservations: (416) 444-2511

Toll Free Canada 1-800-358-7677

U.S.A. 1-800-923-7530

Telex: 06 868735

Fax: (416) 444-9987

Prince Hotels

The fabric of fantasy

WAVEWORLD
By Olive Barker
(Collins, 722 pages, \$35.95)

With *Waveworld*, English author Olive Barker is boldly claiming a spot on the drug-store book racks and best-seller lists like American novelist Stephen King—who has declared himself to be a fan of Barker's fiction—the author has a highly developed sense of terror. And like J.R.R. Tolkien (*The Hobbit*), he leans strongly toward metaphysical fantasy and adventure. But Barker's own particular blend of horror and the supernatural is flamboyantly original. *Waveworld* traces the quest for a magical object called The Pagan, which occurs in its fabric a paradisaical alternate universe.

That other world is filled with Alice-in-Wonderland landscapes and is populated by superhuman beings known as the Stealing, who come equipped with supernatural powers, including telepathy and telekinesis—the ability to control mind and matter. Although it sometimes resembles a feature-length animated film in its psychedelic colors, *Waveworld* has all

the earmarks of a pop-fiction classic.

The novel places youth and innocence, embodied by the poetic Cid Mossy and his potter friend, Suzanne, in competition with a trio representing corruption and repression. They are

the greedy saleswoman Shadwell, the financial policeman Holcut and the virginal leucanista, a teenage occupant of the supernatural world seen into the carpet. *Waveworld*'s story chronicles the attempts of each side to gain control of The Pagan for itself. Meanwhile, Barker introduces a cast of angels, ghosts, beasts and demons, the most dreadful being Immacolata's companion, the wrath-sisters—Magdalene and the Hag—who allow the author to exploit adolescent male fears. Able to conceive and give birth is a matter of hours, they attempt to rape every male in sight.

But Cid and Suzanne acquire their own supernatural powers and try to

retain control of the carpet by causing the world that it encloses to explode spectacularly onto the gray streets of present-day Liverpool, roused to race riots in response. The Stealing cause psychological and physical chaos among the Liverpoolians with their supernatural ability to cause mass hallucinations.

Barker threads The Pagan's magical world in and out of its narrative tapestry with a dizzying frequency. Also weaving in his indulgence in the paraphernalia of popular fiction, including hair-breadth escapes and last-minute cavalry charges by the good guys. And in Shadwell, the author has created a convincing villain.

Still, Barker's fantasy is a welcome addition to the hallowed British tradition of metaphysical storytelling. With its rainbow world of horrors and raptures, and its titanic struggles of cosmic good and evil, *Waveworld* is a eloquent statement of the sacred powers of the imagination.

—NORMAN SWINEY



Barker: psychedelic colors

rainbow world of horrors and raptures, and its titanic struggles of cosmic good and evil, *Waveworld* is a eloquent statement of the sacred powers of the imagination.

An epic of the everyman

THE ENGLISHMAN: A SOCIAL HISTORY,
1086-1945
By Christopher Hibbert
(Collins, 765 pages, \$19.95)

English author Christopher Hibbert makes a loving, broad writing history. He has published over 25 works of biography and military and social history, including *The Rise and Fall of the House of Medici*. An unapologetic popularizer, the author aims that his latest book, *The English*, "cannot pretend to be a work of original scholarship." He adds, "It is intended for the general reader." By that standard, the book, which sets out to record the daily life of people from 1086 to the present, may well be a spectacular success.

The volume, the amazing, the unusual and the usual are all part of Hibbert's skill. During the Middle Ages at St. Paul's school in London, he reports, "the people's voice was collected in tales and sold to dyers and tanners, the profits given toward the school funds." He describes destitution in the 18th century, when teeth were "treated and gilded not only by barbers but also by blacksmiths, handsewers, apothecaries, furriers and even by cobblers, watchmakers,

jewellers and woodturners." And he explores the eating habits of Edward, Prince of Wales (later Edward VII), who would sit down to a dinner of 12 courses at 9:30 p.m., order a stack of girded oysters before bed—and have a cold chocolate.



Medieval chess game: vulgar grid for the mill

as played on his bedchamber table in case he grew hungry in the night.

Modern campaigners for moral reform may be disappointed to find that matters were worse in a more religious age. Paraphrasing Louis XIV's opinion in the early 18th century, Hibbert writes,

"while models of female reproductive organs could be examined in manuscript shelves." He also shows how little England's distribution of wealth has changed over time. Despite the hopes expressed near the end of the First World War by then-prime minister David Lloyd George that postwar British society would not return "to the old days, the old abuses, the old stupidities," Hibbert writes, that goal has not been realized.

Hibbert treats his facts and sources carefully. While his prognosis wrongly lists England's population in 1985 as 55 million, a later section gives a closer estimate of 125 million people, and the book has Thomas à Becket executed in 1170 instead of 1176. Despite that, the book is a masterly condensation of secondary authorities; the list of sources contains more than 500 titles. That method of cobbling together a book, which despite its title doesn't little space to the 20th century, indicates that

sales rather than scholarship have been the guiding principle. Still, professional historians have much to learn from Hibbert's entertaining methods, if not from his content.

—JOHN GILCHRIST

adin

THE FRONT DOOR
TO A
FINE EUROPEAN
HOTEL DEAL.



When you fly Canadian to Europe, we'll share your room and take you for a free ride.

Door opening special—50% off Holiday Inns

Only Canadian Airlines passengers receive a 50% discount at any of the 35 Holiday Inns and Holiday

Inn Crown Plaza hotels located in Europe's major business centres. Like London, Paris, Frankfurt, Rome, Amsterdam and Munich. Now that's accommodating.

Plus we'll provide you with a free rental car from Amsterdam for a week, and the lowest rates available after that, should you decide to stay longer!

Door to door service. We also open the door to great service, with our new Canadian Business Class.

Our flight attendants make you feel at home even when you're far away from home, and our

Canadian Plus program adds up to free trips sooner than with any other airline. Much sooner.

Plus, most Canadian flights arrive and depart through Amsterdam Schiphol, used the world's finest airport where you can make quick connections to 190 cities in 45 countries.

As you can see we don't just open the door to Europe, we put out the welcome mat. Call your travel agent or Canadian Airlines for more information.

Canadian
Canadian Airlines International

Portrait of a firebrand

HARD BARGAINS

By Bob White
(McClintock & Stewart,
280 pages, \$29.95)

Thirty years ago a young trade unionist stood up before the Canadian leaders of the powerful United Auto Workers (UAW) and delivered an impassioned speech asking support for a strike that he was leading in Woodstock, Ont. When he finished, one audience member turned to his neighbor and said: "You better watch that young son-of-a-bitch. He's going to go somewhere." When then-primeminister, industrialist and unionist boss called Bob White for worse names than as White rose to prominence as the head of the UAW in Canada, and then went on to lead the Canadian Auto Workers in a five-week leadership fight in U.S. ports, few dreamed that that assessment of his abilities. Now he is unquestionably Canada's outstanding labor leader.

In *Hard Bargains*, White offers a straightforward account of how he achieved his lofty status. Hard work and a punishing pace that left little time for private life played a part. White was also the most militant union in his



White: militant voice, natural leader

union, taking a hard line despite concessions, layoffs and the fervent opposition of his recalcitrant U.S. union bosses. But he also proved to be a natural leader who never lost his members where they did not want to go and, as a result, won contracts that more so-

bered hands considered unobtainable. As a high school dropout sweeping marbles in a woodworking plant in Woodstock, White became entranced by the UAW, a democratic union that had pioneered many of the benefits workers now take for granted. White's future with the union was assured when he was appointed in 1966 to head a strike team to recruit new members under the impending Auto Pact. Over the next five years White and his crew signed 35,000 new members to the UAW. At 37, he became assistant to Everett McCormick, director of the union's Canadian Region. It was the only revealing cameo in his autobiography. White at first dismissed McCormick as superficial, lazy and, with his Nefers not and pure emotion, truly to a fault. But he soon came to respect the older man, and he was clearly influenced by his autobiography. McCormick then moved on, making way for White's virtual coronation as Canadian director in 1978.

The UAW's decision to agree to make wage and benefit concessions in 1979 to a struggling Chrysler Corp set the stage for White's incredible career in the 1980s. Alone among CWA executives, he accepted concessions. From then until his oft-cited break with the international union in 1992 he was as much at odds with his own leaders as with the Big Three automakers. His militancy also regularly shocked the press. The Montreal Gazette for one called his decision to strike the union Chrysler in 1982 "profoundly shortsighted." But White consistently outstepped his American counterparts, and when he decided to lead his union out of the CWA, its members followed readily.

White's book is best when describing those dramatic days. But when he shifts his focus to immediate events, *Hard Bargains* falls flat. His arguments against free trade are pitiful and unconvincing. And he ignores such important subjects as the brutal situation of life on the production line or the apparent success of Japanese methods. Reluctant about his private life, White is candid in describing his career, including colorful encounters with Chrysler chairman Lee Iacocca. It would have been helpful if White had more to say about his own future than the few anecdotal comments he tosses off. Although White is a vice-president of the New Democratic Party, his book makes it hard to believe that he will ever enter politics under its banner. The dramatic repression meted by Ford (Bargains is that Bob White is a winner—a man dedicated to his ability to bring about change. But the possible prospect of entry on the opposition benches would leave him in awkward as it is ill.

—JOHN HANSEN

BOOKS

Laurels in literature

To fail to win a major literary prize does not necessarily condemn a writer to obscurity. Some of the most important figures in 20th-century literature—among them James Joyce, Franz Kafka and Jorge Luis Borges—are absent from the list of Nobel literary prize winners. The Booker Prize for Fiction, established in 1968, is supposed to reward the best novel written in English in the current year by an author living in the Commonwealth, the Republic of Ireland or South Africa. But last year Timothy Mo—whose novel *An Insular Possession* was a Booker runner-up—remarked publicly that the prize should be eliminated because of the way the accompanying publicity degraded contestants. Still, the Booker shortly—no winner will be selected Oct. 25—an important simply because it aims to give a sampling of the year's better novels.

Each year Britain's publishers submit lists of their three favorite works of fiction, which are then read by a panel of five independent judges. The judges announce their shortlist and

five weeks later choose one winner. This year's shortlist consists of Iris Murdoch's *The Book and the Brotherhood* (Harcourt Brace Jovanovich), Nina Baym's *Circle of Deceit* (Macmillan of Canada), Brian Moore's *The Colour of Blood* (McClintock and Stewart), Chinua Achebe's *Ansiluwa* of

The Booker Prize is important because it aims to give a sampling of the better books currently published in Britain

the Senegal (General Publishing), Penelope Lively's *More Than Tiger* (Collins) and Peter Ackroyd's *Chatterbox* (Penguin Books).

But that choice is eclectic and uneven; proof can be found in a typical quote from one of the nominees: "The deep vibrating beat of the music upon the sea, the vastest very much to dance

There was joined ready to fall in love," one author writes. She is not Barbara Cartland, but the respected Iris Murdoch. Her *Ansiluwa*, a lengthy account of how a group of university intellectuals plan a political book and then decide against it, however, between sectarianism and high-brow politics. Moore's *The Colour of Blood* and Achebe's *Ansiluwa* of the Senegal are better books, but that is not a major complaint.

All three have focused on the intellectual's responsibility in a politicized society, but none has successfully transferred that into fictional fiction. In Moore's disappointing book, the intellectual is a Catholic cardinal struggling for the preservation of his church in a totalitarian society. The society Nigerian writer Chinua Achebe has chosen to depict is the small and tragic West African state of Kowoko, where a young dictator slowly rises to power. The intellectual is the dictator's childhood friend Ben Okofor, a journalist and a poet who tries to use his pen to prevent his former friend's inhumanistic climb. Achebe's plot seems the reader with a fair understanding of much of contemporary Africa, but the writing is at times didactic and stilted.

For Murdoch, Moore and Achebe, contemporary politics reflect and test human relationships and their ethics.

Barclay's Brandy.

A good tasting
French quality
brandy at
a good price.



CANADIAN GIVES YOU A COMFORTING RIDE TO THAILAND. IDEAL CONDITIONS MAY VARY.

Through the Thai forests on Chiang Mai, elephants are the preferred method of transport. As you journey your way through a variety of Bangkok, we suggest the local Tuk Tuk. That's three wheels, a bench and an driver who can comprehend the system of the traffic laws.

You can go to market on a little jettty or plank yourself down on a little island off

Phuket. Or, if you're looking for a bit of an off-road ride, we have a lot of off-road bikes to choose from.

Canadian can fly you to First Class, Canadian Business Class or Economy to Bangkok. We can arrange your land and travel throughout Asia. Bangkok is just one of the Canadian cities in the Orient. We can fly to Hong Kong, Tokyo, Shanghai and Beijing. We have more service to the

For more information, call 1-800-361-2222 or visit our website at www.canadianairlines.com

Canadian Airlines International



A WARM WELCOME FOR DUJARDIN V.S.O.P.

Welcome the smooth rich
flavour of one of Europe's finest brandies.
Matured to perfection in genuine
Lamouzin barrels, Dujardin V.S.O.P.
is a product of excellent taste and quality.
A welcome addition for
those who enjoy a better brandy.

The other three nominees—Lively, Bowden and Ackroyd—turn in the vaster horror of history. Lively's novel is a dying historian's monologue. From her hospital bed, the heroine mentally composes a history of the world while at the same time tracing in a spiral of words the intricacies of her own life and chase of people she has loved. Like the "Moose Tiger" brand of neocapote roil in the novel's title, it leaves little but ashes in the end. Twice short-listed for past Booker Prizes, Lively proves in *Moose Tiger* that she is one of Britain's finest, most elegant novelists.

Bowden, who has sometimes been compared to Lively, lacks both her subtlety and depth. Her new novel, *Circles of Deceit*, begins with two clever premises: that all history is forgery, because it depends on what historians choose to remember, and that literature is the telling of lies to reach a truth. To prove her point, Bowden creates a painter who repays the work of Old Masters but then adds a detail recognizably his own. The painter tells his life story while sketching that at any point he can lie to make it "more interesting." But Bowden has failed to take her historical premises very far, and the novel founders in a trivial plot.

History has interested the sixth nominee, Peter Ackroyd, for many years. His previous novels, including the celebrated 1986 book *Henry VIII*, turned historical facts on their head to serve the purpose of the writer's fiction. And he repeats the technique in his latest novel, *Chatterton*.

It is based on the true story of the 18th-century English poet Thomas Chatterton, who achieved celebrity at 15 by claiming to discover alleged medieval poems that he had in fact forged. Worn down by poverty and neglect, he committed suicide at 17. Almost a century later, avant-garde Henry Wallace painted Chatterton's death scene using novelist George Meredith as a model. Ackroyd's book begins with a 20th-century poet stumbling on a portrait of a middle-aged Chatterton. Looking that history has declared that is impossible, the poet launches an investigation that brings Chatterton, Wallace and Meredith to life.

Chatterton is about painting, literature, history and the truths each purports to tell, but it is also a brilliant detective story—and by far the most readable novel on the Booker shortlist. Of course, that does not guarantee that it will win. Still, losing writers have some consolation: good books seem to be gifted with a sort of immortality. Booker or no Booker, they will, in the end, survive.

—ALBERTO MANGUEL



Waste Not.

CAE forest products equipment helps maximize the yield of the harvest—in Canada, and around the world.

Because the world's forests are among our most precious resources, maximum harvest yields are a must. To this end, CAE designs and manufactures a broad range of precision machinery for the forest industry.

Among CAE's more recent achievements is a disc wadster that delivers close to 100% wood-chip utilization. In recognition of the contribution of this unit to the structural panelboard



industry, the federal government awarded CAE a silver medal in the engineering design category

of the 1985 Canada Awards For Excellence.

Sawmills use CAE's log carriage systems, whose sophisticated hydraulics were developed using the expertise gained in the design and manufacture of digital flight simulators. Other products include a computer controlled, optical-sensing edger, optimiser, chipper, and state-of-the-art bandmill systems, to name only a few.

The manufacture of perforated drilled, and slotted screen plates and refurbishing of highly-technical pulp and paper mill equipment further broadens the scope of CAE's supply to the forest industry.

Beyond its forest products endeavour, CAE research has created diversified products that are respected leaders in world markets. Digital flight simulators for civil and military aircraft

Canada's multi-function control system, airborne-underside detection systems, and lightweight metal auto-involvement components are only some of the products born of CAE research in Canada.

As a percentage of revenue, CAE invests about seven times the national average in research and development programs. This investment is the fuel that fires the imaginations of skilled and creative people. It is their continuing efforts that help keep CAE products on the leading edge of world technology.

To find out more about the diversified companies and technologies that make up CAE Industries, ask for our free booklet entitled, "Canadian Skill—International Scope." Write: CAE Industries Ltd., Suite 3000, P.O. Box 30 Royal Bank Plaza, Toronto, Ontario, M5J 2J7.



A WORLD OF CANADIAN TECHNOLOGY.

CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

is available on

35mm microfilm and microfiche.

For information contact:

Maclean Hunter Micropublishing

4601 Yonge Street, Toronto, Ont., M2N 5L9
(416) 221-1637

Lincoln's terrible ordeal

FREEDOM
By William Safire
(*Time* magazine, 1,000 pages, \$35)

Familiarities with Abraham Lincoln endure: poet Carl Sandburg once portrayed the martyred president as a saint, and novelist Gore Vidal etched a portrait of the ill-fated politician as a hard-nosed, sharp-tongued man of power in his 1984 nov-

el *Lincoln*. Now, New York Times columnist William Safire has entered the fray with *Freedom*, a monumental 1,112-page novel that only covers the first two years of the American Civil War. Safire has managed to write both an interesting book and a bad novel. But *Freedom* is an intelligent work about large issues.

He uses the Civil War backdrop to illuminate three of the most pre-

found political questions: He examines whether a state should use force to compel its citizens to respect territorial integrity, whether a state is entitled to take away liberty to preserve democracy and whether a distinctive culture inevitably leads to a separate state. Safire states such issues abstractly—as one of his characters says, “The idea of majority rule seems rather an academic notion to fight a war about”—yet they are as real as today’s newspaper. Indeed, Canadians may find Safire’s account of the Civil War engaging: the 1980 Quebec referendum confronted some of the same issues as those raised in *Freedom*.

Safire brilliantly frames those themes in a simple chapter describing a fictional meeting between Lincoln and Senator John Cabell Breckinridge, a former vice-president who eventually joined the Confederacy. The author has Breckinridge arguing that “no majority can long rule over a better minority and remain a majority.” Many Canadians in the 1970s held a similar view: if Quebecers voted to separate voluntarily, few wanted to use force to maintain the Canadian union.

As well, Canadians debating the proper limits of the Canadian Security Intelligence Service can consider what Safire says was Lincoln’s contention—that “a government could not be so tender about the rights of its citizens that it lost the power to maintain its existence.” And Canadian conservatives to discuss the merits of a distinct society, Breckinridge’s view that “when a people become distant from their brethren, they deserve a distinct national identity as well” is hardly relevant.

The perplexing question is why Safire chose to make such arguments in the form of a novel. His characters make speeches instead of conversation, and the protest spirit of Lincoln is especially needed. The author evokes the customary 19th-century bew to set by describing a scene in which a Washington hawker, dressed in black, stands the bottom of a radical Republican. But that surely further knowledge of the Emancipation Proclamation.

Above all, he has indulged himself with the book’s length. Safire writes one of the brightest newspaper columns in journalism, but that is no reason to inflict excess on the book-buying public. To put it mildly, a Tolstoy he is not. In the Gettysburg Address, Lincoln was able to define the essence of the democratic spirit in only 256 words. The great president obviously had no need of an editor. The same cannot be said for Safire.

—TERESA K. ADAMSKY



Why a duck? Why not a Canon Typewriter?

Introducing Canon's new Custom Series typewriters

Here are just a few of the reasons why a new Canon Custom Series typewriter is better than a duck:

With a Canon Custom Series typewriter you can choose the exact combination of features you want for your office.

With a duck, you're stuck.

Every model in the Canon Custom Series is upgradeable all the way to the top. So if you find you need a bigger duplex, or a larger margin, or more sophisticated ribbon capabilities, you can get them.

You can't upgrade a duck.
Canon's deluxe features, like our optional Spelling Checker/Corrector with a mammoth 146,900-word dictionary will help you get flawless typing pages after pages.

A duck is liable to lay an egg now and then.
Canon's Custom Series typewriters are designed to be comfortable and easy to use. And they're exceptionally quiet. *A duck will waddle around your office and make a lot of noisy squawks.*

What's more, a duck will fly South every winter. But a Canon typewriter will never need a vacation.

For full information about Canon's new 8900 Custom Series, contact your local Canon dealer. Or call 416-678-2750.

Canon.
HOW SUCCESSFUL COMPANIES TYPE.



Canon Canada Inc. • Electronic Typewriter Division, 6295 Steeles Road, Mississauga, Ontario L5E 1P7

HOTEL MERIDIEN

Discriminating travellers have found another good reason to join Le Meridien Vancouver's Charter Club:

\$88
PER NIGHT
TAXES
INCLUDED

Charter

Charter Club '88 is this year's update of a very popular program we offered our guests last year—a program that had them enjoying our gracious continental hospitality and luxurious facilities at a great rate. To qualify for this year's membership, all you have to do is stay with us on three separate occasions between October 20, 1987 and April 30, 1988 at our special rate of \$88.00 per night.

As a Charter Club '88 member, you will then be guaranteed this exceptional rate throughout 1988. Call 1-800-543-4800 or (604) 682-5511 or your travel agent to book our special \$88.00 offer (single or double occupancy, tax not included, reservations subject to availability, not applicable to groups). Then join the select group of Meridien clients who rate a Charter Club '88 membership.

The year 1988.

Le
MERIDIEN
VANCOUVER
TRAVEL COMPANY
OF VANCOUVER

845 Burrard at Hudson, Phone: (604) 682-5511

Reserve: Restaurant • Airport Shuttle • Newell Room • New York • Not Found • Not Here • Signage • Signage



Village of the damned

HEARTBREAKERS ALONG THE ROAD
By Rod Carrer
Translated by Sheila Fischman
(Amazon, 320 pages, \$19.95)

Rod Carrer's ninth novel, *Heartbreakers Along the Road*, will surprise readers of his earlier works. The author is known mainly for humorous depictions of Quebec life in both adult novels, such as *Le Garçon*, *Les filles du chien*, *Arènes*, such as *The Monkey Shyster*. His latest book, originally published in French as *Le*

garçon, places in exile Le Chef in an article entitled "Fascism." Blatantly by one of the premier's henchmen, Rousseau kills the man—and himself.

In that tragicomic panorama, man keeps the story moving while women wait around to satisfy their needs. The most free-spirited female, Graciosa, offers herself to Innocent and just about anyone else, telling each, "I want to be a pleasant memory for you." She is as less a cartoon figure than Anaësthes Tangue, an old woman who commits suicide with her



Carrer: automatic as are 'my alphabet, my house'

Carrer does in *formally* in 1988—and skillfully translated into English by Sheila Fischman—is an ambitious attempt to dissect a Quebec society permeated by corruption. But without a historical context, the work is simply comedy.

The novel opens, Le Chef, premier of Quebec and boss of the Rexist Party, calls an election and establishes the narrative's fantastical tone: "We have a raspberry season, we have a blueberry season," he declares. "Before the apple season, we'll have an election season. The population is in bloom." The premier—based on Maurice Duplessis, who was also known as Le Chef and ruled Quebec for 19 years between 1936 and 1968—plans to build a highway through the rural town of Saint-Jean-sur-Richelieu. Santa is called in harvest voice and reinforce his popular support. The highway—and the patronage and new relationships it creates—becomes the book's central image.

The novel is loosely structured as a series of vignettes, but Carrer fails to inject the story with any genuine tension. It is clear from the outset that the road will be built and that Le Chef will win the election. Many people simply jump aboard the patronage bandwagon. Among them are Nina Verrochio, an Italian-born road builder, and his beautiful wife, Lucia, who trades her body to the minister of roads and bridges to obtain a highway contract for her husband.

Those who try to oppose the highway are usually defeated. Innocent Lemieux, an ex-minister and Verrochio's assistant, seduces Lucia before setting off the dynamite that blows up the Verrochio in their Cadillac. Rousseau, a Quebec City newspaper edi-

tor, places in exile Le Chef in an article entitled "Fascism." Blatantly by one of the premier's henchmen, Rousseau kills the man—and himself.

In that tragicomic panorama, man keeps the story moving while women wait around to satisfy their needs. The most free-spirited female, Graciosa, offers herself to Innocent and just about anyone else, telling each, "I want to be a pleasant memory for you." She is as less a cartoon figure than Anaësthes Tangue, an old woman who commits suicide with her

husband rather than watch the highway destroy their farm—although she would rather move to Florida. The progression of life along the road ends ultimately in death for most of the major characters. Carrer handles that material with neither predictable bleak humor nor despair. Largely an ironic provocation. He concludes the book with a drag race on the new highway—but the competition ends in a huge crash with the death of the losers. Unfortunately, the race is both contrived and gratuitous, a brazen gesture as Carrer's part that fails far.

Carrer's darkness is the novel's main strength and weakness. But his bleak vision is unconvincing, partly because Le Chef remains only a vague malevolent presence. The author implies that all human endeavor is doomed to failure, which makes the

characters in *Heartbreakers* along the road more pitiable than tragic—they never had a chance. Too often, both Carrer and Le Chef have stacked the deck.

—RICHARD TILLEY

Rod Carrer's father revered Quebec Premier Maurice "Le Chef" Duplessis. In the writer's native village of Ste-Justine-de-Dundas, 50 km northeast of Quebec City, Duplessis loomed large as a creator of roads and other amenities—and as a symbol of French-Canadian pride. Said the 60-year-old author: "During Duplessis's time, Quebecers had a feeling of standing together, of being taken care of by someone powerful. He was security for many Quebecers." Only after Carrer left Ste-Justine to attend the College St-Louis in Edmundston, N.B., and later the Université de Montréal, did he begin to understand that Le Chef's 20-year regime was riddled with corruption. The Duplessis era—and its contradictions—became an important reference point for the writer. Rod Carrer: "It was my first experience with power, with ambition, with dreams and with corruption. So that time became my alphabet, my house."

Carrer's personal voyage parallels his province's emergence from the two years of Duplessis's rule and of underdevelopment in the 1950s. The only one in his high school class to attend university, he eventually won a bursary at the Sorbonne in Paris. His new teachers at the Collège Hilarion Royal de St-Jean and lived in nearby Montreal. That is many of his poems, plays and fictional works, Carrer has returned to the rural setting of his youth. And he says that his latest novel is a reclamation of that focus: "I have revisited everything I could into this book," he added, "and it is the best I could do at this moment."

But writing the lengthy novel was a complex process, he said. "It was like being the mayor of a city, there were a lot of people to administer, to move around through time and place." Meanwhile, one figure played a prominent role in his imagination—Carrer's father, an enigmatic figure of tales. "Some of the anecdotal and novel details come from him," said Carrer. "I liked good stories, and I believe he would have enjoyed the book."

Since completing *Heartbreakers*, Carrer has produced two travel books and some short stories. Meanwhile, he is contemplating a possible entry into federal politics—although he will not say on whose side. But already Carrer has established himself as one of Quebec's leading literary ambassadors.

—PATRICIA BUCHTY AND BRUCE PALLAGE
in Montreal

Show Your Stripes!



Tia Maria
THE ADVENTURE BEGINS

RENEWING YOUR MORTGAGE?



Join the thousands who've switched to us for just \$85*

At renewal time, you can switch to the Royal Bank for just \$85. For this all-inclusive, Royal Bank switching fee, you get all kinds of advantages. Our new, personalized payments give you the option of paying weekly, every two weeks, twice a month, or monthly. Like our flexible pre-payments, this lets you pay down your mortgage sooner and could save you thousands of dollars. In addition, you get the lowest cost group life insurance

available. Plus our Mortgage Rate Protection Plan option. Get full details at any Royal Bank branch.

*See under heading "Switching Fee." Does not include phone mortgage or any charge for closing costs. Some restrictions may apply. © 1987



ROYAL BANK

Authorized Official Bank of the Olympic Winter Games.



Thames' Harbourfront complaints that a wall of highways will block access and obstruct the view.

CITIES

Warring factions on the waterfront

Thousands of local dignitaries, politicians and civil servants attended the launch celebration at a Toronto waterfront site in early October. Whiling on jumbo skiffs and aquaplanes, they tapped their toes to the beat of a rousing jazz band. The occasion was an annual ceremony at Harbourfront, a controversial federally controlled project involving the redevelopment of 66 acres of derelict downtown property. Officials of the Waterfront Centre, a private, Washington, D.C.-based organization dedicated to fostering shorefront renewal projects in North America, had come to town to cite Toronto Harbourfront Corp. for achievements in staging cultural and recreational programs. But federal Public Works Minister Stewart Heilman stole the spotlight. In an eagerly awaited announcement, he said that the plans for building development of the Harbourfront site would have to be reduced to increase parkland and open spaces, and reduce the density of proposed structures.

But McIntosh also announced approval of three new building projects in the heart of the development. Six months earlier Ottawa had imposed a freeze on all new Harbourfront construction and ordered an internal review of the operations of Harbourfront Corp., a Crown company. It did so in response to numerous citizens' complaints that the city

was allowing the complex to become a wall of highways blocking easy access to the waterfront and obscuring the view of Lake Ontario from downtown. Indeed, the future of Harbourfront was emerging as a major civic issue, since 2000 five high-rise apartment buildings have risen on the waterfront, in an area that many Torontonians believed was to be developed as parkland.

In his Oct. 5 statement—conveying Ottawa's approval of a scaled-down project—McIntosh said that the developers would have to redesign four proposed condominium buildings—including a nine-storey building and one 15-storey tower—so they would sit lower on the waterfront. But at the same time, he noted that Ottawa would allow completion of three other scaled projects—among them a 15-storey co-op apartment complex. He also urged Harbourfront to continue its year-round educational and recreational programs—but added that corporation officials should seek other sources of support besides revenue from on-site development in fund-raising efforts costing \$7 million yearly. Those an-

nouncements angered—and puzzled—some of those present. Declared Aileen Dale Martin, a leading advocate of scaling down the project, which is in its third year: "I wanted to hear that no more buildings will be built. What we get tonight was nothing."

For his part, Harbourfront chairman Donaghy De Niro said that if agency officials are not able to negotiate smaller versions of the four scaled con-



De Niro: revenue loss

dominium buildings before Ottawa's year-end deadline, those developers might sue or withdraw from Harbourfront. According to De Niro, that departure could deprive the agency of \$20 million worth of revenue from development fees and land leasing rights. Declared De Niro: "If we are not successful, we could lose our shirts."

Clearly, the federal statement means that Harbourfront will remain at the centre of the controversy that has dogged the project from its inception in 1975. Then, several Toronto members of Prime Minister Pierre Trudeau's cabinet intervened in the heat of a federal election campaign that Ottawa

FBDB

FBDB SERVICES HELP SMALL BUSINESS PROSPER

Small business is the backbone of this country's economy. It accounts for one third of our Gross National Product and three million Canadian jobs. So if you run a small or medium-sized business, or if you're about to start one, we'd like to help you succeed.

For information on our wide range of Financial Services (loans, loan guarantees and financial planning), Venture Capital and Management Services such as counselling, training and information, please call toll-free: **1-800-361-2126**. All of these services complement those available in the private sector. Your success is important to all of us.

La Banque offre ses services
dans les deux langues officielles

BACKING INDEPENDENT BUSINESS



Federal Business Development Bank
Banque Fédérale de développement

Canada

would assemble render industrial waterfront property in order to allow city planners to develop waterfront parkland. With almost \$136 million in federal funding, Harbourfront Corp. was formed in 1988 and given the mandate to create parks, build subsidized housing and support cultural activities such as art exhibits.

Since then, the redevelopment of the mile-long waterfront stretch has produced a bustling area with a hotel, restaurants and bars—and fashionable condominiums and shopping areas in converted industrial buildings. Regularly hosting a wide array of events ranging from poetry readings and open-air concerts to a children's activity centre, Harbourfront has become one of Toronto's most popular attractions for residents and tourists alike—drawing 3.4 million visitors last year. But Martin and other critics say that with more than half of the redevelopment completed, there is little subsidized housing and only 17 acres of parkland in the entire project. Their protests intensified last year with the construction of three 13-story apartment towers. Those buildings quickly generated criticism for their size and ugly appearance, and they became the centre of allegations that agency officials had excluded sweetheart deals with some developers.

But Molson noted that the review of the Crown agency's management practices—conducted by the Toronto-based chartered accounting firm Arthur Anderson & Co.—found no signs of favoritism. Concluded the report, "There was no evidence of wrongdoing by directors, officers, employees, agents or advisors to Harbourfront in any project which we reviewed." At the same time, that review noted that a federal requirement that Harbourfront be self-financing by 1997 had forced agency officials to pursue an aggressive building-leasing policy. Now, said Molson, Harbourfront will have less development and more open space. Declared the minister, "We want to ensure that there is access for the people of Toronto to go to the waterfront."

In order to do so, Ottawa is prepared to cede ownership of a seven-metre-wide strip of waterfront to the City of Toronto for a proposed walkway. But most and agency officials may still clash over the design and use of the narrow promenade. Harbourfront representatives said that they would like the city to lease the strip back to the Crown agency—which could then rent space on the strip to nearby restaurants and boutiques. Clearly, with more than half the site developed, Harbourfront is showing no signs of losing its ability to generate controversy in Toronto.

—MAGGIE LEE with
SUSAN NIKOLAK in Toronto

This is all it costs to call Europe* on Saturday.



Six quarters buy you one minute of Long Distance to thirteen countries in Europe.

That's right. Any Saturday for \$1.50 per minute you can dial direct (without operator assistance) to any of the following countries:

*U.K. • France • W. Germany • Greece • Italy • The Netherlands • Austria • Belgium • Denmark • Finland • Irish Republic • Norway • Sweden.

Why wait for Sunday to call when you can call for less on Saturday? What could be easier? And you save from 35¢ to 50¢ a minute over Sunday rates. Why not try it this Saturday? Your family and friends will enjoy hearing from you. And you'll enjoy the savings.

Bell

Member of the Canadian
Telephone and Telegraph Company

**Telelobe
Canada**
A memotec Company



Carte Noire
Côtes du Rhodons from
Celler des Dauphins.
Dry French. Affordable.

Sole Ontario agent:

Michael Reichardt Agencies Inc.
Toronto, Ontario

JUSTICE



Chief Justice (below) questions about child witnesses and sex abuse cases

'We just want the truth'

Last November Montreal Urban Community (MUC) police laid 256 charges against 16 people following an investigation into allegations of sexual abuse at a government-run group home for problem children in the city's east end. But none of the accused ever went to trial. Citing a lack of evidence, Quebec justice department officials ordered the last of the charges dropped on Sept. 5. But that decision prompted an outcry from social workers and youth protection officials. Now Quebec Justice Minister Robert Marois has promised an inquiry into the circumstances surrounding the case. Said Michel Char, executive director of a Montreal-based association for group homes and shelters across the province and one of the people who denounced the inquiry: "We don't want a witch-hunt. We just want the truth."

The case has raised disturbing questions about how child witnesses are treated in sexual abuse cases. Crown prosecutors said that the charges were dropped because victims gave contradictory and inconsistent testimony during preliminary hearings. But the

chief administrator of the 16 provincially run group homes in Montreal, whose names must be withheld by law to avoid exposing the children's identity, says that he blames the original justice system for the Crown's inability to prosecute the case. Said the official, who alerted police to his suspicions about his staff's alleged misconduct: "The system is designed by adults for adults. When you use the same techniques of cross-examination on 10-year-olds, their natural reaction is to change their story or to not answer at all."



Meanwhile, new federal legislation designed to promote more sensitivity to child witnesses on the part of the courts—and which may have affected the initial outcome of this case—has been passed but will not come into effect until early next year.

Concerned by what the chief administrator described as "unsettling signals" on the group home, staff interviewed eight children living there and social workers talked to 129 others who had stayed there during the previous five years. Most of the 48 children involved were between 6 and 12

HOW TO FREE YOUR CHILD'S IMAGINATION.



Open your child's mind with TVOntario's internationally acclaimed children's programming. Every day, especially from 4:30 p.m. to 7:00 p.m. weekdays, TVOntario awakens curiosity.

Excites imagination. And proves that learning is fun. With programs such as *Polka Dot Door*, *Today's Special*, *Dear Aunt Agnes*, and *The Ozlets*.

TVOntario
We bring learning to life.



Best seller of our time.

The original peach schnapps.



It's the best-selling adult
peach schnapps.
Enjoy it just by itself,
or make your own mixes.
And find out why our Peachtree
is the best seller of our time.

The drink that's being
schnapped up by the millions.

de Kuyper

when the alleged incidents occurred, and some had been placed in the home as wards of the state after being sexually abused in their own homes. Said the chief administrator: "Most of the stories were of group sexual encounters as well as individual meetings." The children did not report the incidents sooner, he said, because "there were so many people involved, they had nobody to trust."

Quebec social services officials have said that they are especially concerned about the case because some of the victims had been taken into care after being sexually and physically abused. Said the shelter association's Clair: "We're talking about kids who are particularly vulnerable, abused children, kids who can't stay with a foster family and misadjusted children who are next to us for protection. They shouldn't have to go through this again." Added Thomas Johnson of the Montreal Youth Protection Service: "These children, in particular, are easy prey to people with strange fantasies."

Prosecutors said that the children's accounts of the alleged abuse during the closed preliminary hearings were contradictory. But Johnson claims that young children often contradict themselves because they are frightened or have suppressed their memories of traumatic events—and that prosecutors did not allow for those factors. Said Johnson: "Sexual abuse is very much like rape—the victim is treated as a perpetrator. Of course the children were scared."

The Montreal case may be remembered as one of the last in which inadmissibility of children's testimony was a deciding factor in dropping charges. Under the new federal legislation, the rule requiring corroboration of evidence from children would be repealed. Also, children would be allowed to testify on videotape outside the courtroom—on supported departure from existing practices that require the accused to be present.

Still, the Quebec government promised an inquiry only after a determined campaign for it by social service agencies. And many officials say that despite the high number of charges, the case has not yet aroused widespread public anger because the alleged crimes occurred outside of the mainstream educational and day care system. Said Michel Clair: "We don't exactly have the same impact as 90 parents protesting outside the minister's office." But Clair and his colleagues now say that they hope the government inquiry will help to clear up a problem that the justice system left unresolved.

—LENA NUN BIESEN in Montreal

FLY "AIR FRANCE LE CLUB" FOR ECONOMY FARES



With the **AMERICAN EXPRESS®** Card
Membership has its privileges.™

From November 1st, 1987 until
March 31st, 1988, American Express
Invites Cardmembers to experience "Air
France Le Club" business class or economy
class rates.* Furthermore, should no seat
be available in "Air France Le Club", we
will arrange for you to travel AIR FRANCE
PREMIER or in extra charge subject to
seat availability and certain restrictions.

new program
Le club

This is a unique opportunity for
Cardmembers to discover "Air France Le
Club", a superior class designed to make
business travel easier and more enjoyable.
Contact your Travel Agent in the France for
more information.

AIR FRANCE



* Not all seats are regular full fares subject. Air France when purchased with the American Express Card and is valid on all Air France routes.

© Copyright American Express Company, Inc. 1987. All rights reserved. American Express Company is the owner of the trade mark(s) being used by
American Express Canada, Inc. or a registered user.

Nature against cancer

Each year factors diagnose about 100,000 new cases of cancer in Canada and 960,000 in the United States. As the search for pure and better forms of treatment continues, cancer experts are increasingly stressing the need for better methods of prevention. Their recommendations include careful attention to diet and avoiding cancer-related agents such as tobacco and radiation. But new researchers are conducting the first systematic experiments in a new phase of the war on cancer: chemoprevention, or using naturally occurring nutrients to prevent the development of malignancies. The studies, most of which are being funded by the National Cancer Institute in Bethesda, Md., involve thousands of people in various high-risk categories in the United States, China, Finland and Denmark. The trials are only in the first stage, but Dr. John Bertman of the Cancer Research Center of the University of Hawaii in Honolulu assessed the studies favorably in a recent edition of the U.S. medical journal *Cancer Research*. Con-

cluded Bertman: "From the data we have, it is a very good start."

Dr. Peter Greenwald, director of the NCI's division of cancer prevention and control, stressed that there was still no real proof that increased consumption of nutrients prevented cancer. But he added that he and his colleagues believe

Scientists now say some cancers may be prevented through increased consumption of naturally occurring nutrients

that controlled doses of vitamins A, C, E and B-12, beta-carotene, selenium and fibre contain anticancer properties. Currently, more than 20 trials of chemoprevention are under way. In one study, women who have a family history of breast cancer are on low-fat diets; in another, smokers are being given vitamin A supplements and beta-carotene...

found in such vegetables as carrots and spinach.

Until researchers have more proof, they are advising people not to take cancer prevention into their own hands because large doses of some nutrients are extremely poisonous. Instead, they are encouraging people to follow the dietary guidelines recommended by cancer organizations, eat less fat and more fibrous fruits and vegetables that contain the nutrients used in the NCI studies.

Some researchers have questioned the validity of spending \$40 million a year on the studies, the results of which will not be available for at least two years. Dr. Lewis Kuller, chairman of epidemiology at the University of Pittsburgh Graduate School of Public Health, for one, says that in some cases the trials have not been formulated to study the highest-risk groups, such as tobacco smokers. Saul Kellner "We could go for 10 years and discover we have nothing—that we're no better off than we are now." But Bertman rejected that criticism, arguing that researchers "have to learn to crawl before they can walk, and walk before they can run"—and that the increased study of diet could help to curb the spread of a debilitating disease.

—NORA UNDERWOOD with LARRY BLACK in New York

Trees for Tomorrow



CANADA, YOUR CARE IS SHOWING.

Dear Care,

My daughter Anna is sending you her current "puppy-love" savings. She is 14 yrs. old, and has learned about Ethicalness. I want to get child support when I need it. I want a job, but I don't want to. I want a little help.

NA

Our message is reaching even the youngest Canadians. And with everyone's help, CARE Canada is helping the poorest of the poor in the Third World find schools and schooling and a little life.

For just continuing financial support, thank you, Canada. And especially you, Anna.

CARE INACTION

TO MAKE YOUR TAX DEDUCTIBLE CONTRIBUTION FOR MORE INFORMATION WRITE TO: CARE CANADA, P.O. BOX 9086, OTTAWA K1G 0G0 OR BY CALL TEL. FREE 1-800-363-1121

Even at 30,000 feet, there's no better view of the world.

Now once you fly make the most of your travel hours. Ask your flight attendant for the latest issue of *Maclean's* for a complete, concise view of issues and events across Canada and around the world.

Available on Air Canada, Canadian Airlines International, Nationsair and Cathay Pacific flights.

CANADA'S WEEKLY NEWS MAGAZINE

Maclean's

The crop of tomorrow is being established today. This year in Canada, more than 800 million trees will be planted. And a few years from now, Canada will probably be planting more than one billion seedlings annually. These trees and naturally regenerated forest stands will provide the wood harvest of the 21st century.

Forest renewal efforts are also taking place on other fronts. Through silviculture, the art and science of growing trees, the forest is being made healthier and more productive. New growth is promoted in areas that would otherwise regenerate poorly, genetically superior stock, more resistant to disease and insects, is being bred and planted; stands are thinned and spaced out, as the crop matures, protected from fire, insects and disease. Silviculture expenditures now exceed \$400 million annually, and some estimates suggest that a level of \$700 million will be required in years to come.

Forest management activities enhance the forest resource, accelerate the growth cycle, and increase the yield of wood fibre that will serve as the basis for new investment and economic growth across Canada.

These are the most visible signs of the care and commitment of industry and governments to see that the crop of tomorrow serves diverse and growing needs. Wise stewardship of the forest today will ensure that future generations of Canadians can enjoy its benefits.

This message is sponsored by Canada's pulp and paper producers to tell Canadians about their most important manufacturing industry. For more information, please write to: Louis Fortier, Public Information Office, Canadian Pulp and Paper Association, 3155 Metcalfe Street, Montreal (Quebec) H2B 2K9.



The Pulp and Paper Industry of Canada

From street punks to rock idealists

He resembles a wounded hero in a revolutionary war. Dressed in a waistcoat and knee-length leather boots, the portly singer marches around the stage to a steady drumbeat with one arm in a sling—the result of a fall. While his compatriots keep the tempo, he asks for a volunteer from the audience to join them on guitar, quickly selecting an eager young man in the front row. With that great protest, Rono—lead singer of the band called U2—has won another battle for rock 'n' roll hearts and minds.

It is every rock fan's fantasy to perform with his musical heroes—and members of Ireland's U2 are contemporary heroes of epic proportions. Their concerts are legendary displays of passionate passion and defiant conviction. Their songs are stirring anthems that promote global peace. The band that began as a quartet of Dublin street punks is now the transcultural answer to Bruce Springsteen, wearing idealism's banner at the front ranks of rock. Critics now compare U2 with the giants. Robert Hillman of *The Los Angeles Times* has likened the band to The Rolling Stones at their peak, and he adds, "U2 is now the greatest rock 'n' roll band in the world." But that success raises even some of the group's most loyal fans to express concern over whether U2 can walk the fine line between sincerity and stardom.

The group's rise has been sudden and dramatic. Its 1987 album, *The Joshua Tree*, was released last March. Since then U2 has shot from cult status to pop music's atmosphere. For much of 1987 the album occupied the No. 1 spot on international record charts. This week, an domestic sales passed the coveted one-million mark, Canada outstripped both the United States and Ireland, with the highest concentration of U2 record buyers in the world. Meanwhile, the group has gone from playing modest 6,000-seat arenas to near 90,000-seat stadiums—usually filled to capacity. Concerts in Montreal and Toronto last month sold out as fast as computers could handle orders. And tickets for the group's Nov. 15 show at Vancouver's B.C. Place were gone in less than three hours.

The group's Canadian followers, like their global counterparts, share a devotion that borders on religious fervor. That's what the band has become: a kind of spiritual, socially committed rock 'n' roll. Here in Ireland's violent, hungry and passionate culture, U2 has forged its own

very kind of stirring Celtic-inspired rock, mixing guitars and thunderous drums. Three of the four members—the characterful Rono, 27, (real name: Paul Hewson); very guttural David Byrne, 30, better known as the Edge, and drummer

admirer—increasingly forces artists to make sacrifices. Now, U2 cannot afford to meet its fans after concerts. In an interview with *Mojo* magazine, Clayton said "Being constantly pursued has become pretty hard to deal with. Pri-



U2's Rono in Toronto concert: the transcultural answer to Bruce Springsteen

Larry Mullen Jr., 35—are self-proclaimed Christians. All—including aggressive bassist Adam Clayton, 35—are vegetarians who refuse to take sides in the Irish civil war.

Indeed, U2 critics are message of peace and personal salvation into rock arenas and make high-profile appearances at political benefit. Yet stardom—even that based on an image of

very is now almost impossible." Added the Edge (Byrne) "We're still figuring out how to cope with stardom. But, ultimately, it's out of our control."

Reporters create its own scale of success of the current tour have scheduled stops only in the biggest cities, bypassing fans in Kingston, Winnipeg, Halifax and other cities. Peter Atkinson, a 13-year-old Dartmouth,

N.S., high school student, has collected more than 5,000 autographs on a petition, trying to persuade the band to play in Halifax—far without success. Next week an estimated 1,000 Winnipeg fans will travel 300 km to Minneapolis, Minn., to see the group perform. Some advised the problem last week during the group's Toronto concert, selling 60,000 fans who braved near-freezing temperatures at Exhibition Stadium. "We made a big mistake playing only three dates in Canada."

Members of U2 also acknowledge that playing in enormous stadiums risks one of the very qualities an intimate concert—connection with the audience—that sets them apart. So far, few critics have detected problems. The *Montreal Gazette's* John Griffin described the group's show at Montreal's Olympic Stadium as "a performance of aesthetic propriety, one that was easily a match for the Big O's dancing dimensions." But the Edge continues to voice concern. "We're kind of forced to do stadium

1987 gross income at \$58 million and head U2 as the 11th highest-earning artist in show business.

A decade ago the prospect of making that kind of money from music looked remote to Haden, then a Dublin high school student. But, he hopefully posted a note on his school's bulletin board in 1982: "Would-be musicians to form a band. What do you need?" Hewson, Rono and Clayton—labeled in musical still, they compensated for with raw energy.

By the time U2 released its third al-



Clayton, Rono, Mullen Jr., the Edge (clockwise from top left) never

before, May, in 1983, the band had established its restless, emotional style—and its role as inheritors of rock's social conscience. Their first hit was *New Year's Day*, dedicated to Poland's Solidarity labor movement, and the 1985 song *Pride (In the Name of Love)*, a tribute to slain U.S. civil rights leader Martin Luther King Jr. In January of the 1986 *Live Aid* benefit for African famine relief, the four musicians were also prime movers in last year's Conspiracy of Hope tour for Amnesty International, the human rights organization that U2 also promotes on its album jackets.

Typical issues dominate *The Joshua Tree*, including U2's foreign policy in Central America. On the song *Mullet* the Rono sings, Rono's anguished vocals describe an attack on persons that he later blames on the United States. "From the (drift), a red ocean glow/ See the face of fear running scared in the valley below." Said the Edge "America in the battleground now it's all the best and all the worst."

But despite its laudable, in fact, some cracks are beginning to appear in the group's potential. U2's deadly earnest image led John Rockwell, respect-

ed music critic of *The New York Times*, to criticize "the pervasive depressed tone" of *The Joshua Tree*. And established rock artists who know the tail of stardom have voiced concern for the band. Pete Townshend, former leader of The Who, recently told *Rolling Stone* "I don't want to be consumed. They can bring a unique view to the world. People are taking in less with U2 and you can't control love."

Ramon may need proof to be the world's shaman. But time associates any they are trying to chart their own course. Said one of U2's producers, Canadian Daniel Lanois, "They're smart enough to jump out of the big-business game if it becomes a threat to creativity." Springsteen advised them to speak only what they need and ignore the rest. And the band has maintained an amiable contract with Island Records that gives it complete artistic control and 100-percent ownership of song publishing.

Ultimately, the biggest issue facing U2 is whether a young, idealistic band can keep on its own creative and ethical track. But the Edge, like other members of the group, remains confident. Commenting on U2's recent hit single, he says "I don't know if I should. I'm looking for sounds like a song of defeat, but it's about hope and belief. God forced it on our hand what we were looking for. What a horrible experience that would be."

—NICKELSON/STANISLAW/STANISLAW

NICKELSON'S BEST-SELLER LIST

FICTION

- 1 *Presumed Innocent*, Thomas (3)
- 2 *Moby-Dick*, Herman (2)
- 3 *Fantastic Beasts, Chasing* (2)
- 4 *King, Sarah* (1)
- 5 *Dick Grayson's Battered Detective Agency*, Adams (1)
- 6 *Sarah, Rochester* (1)
- 7 *Samuel, Corcoran* (1)
- 8 *Bar, Moore, Frances* (1)
- 9 *Legacy, Michael* (1)
- 10 *Jack Two-Face and the Diamond*, Butler

NONFICTION

- 1 *Springsteen, Wright* (1)
- 2 *It's All in the Name: Moorehead* (1)
- 3 *Call Me Name, Peter* (1)
- 4 *With Heart, Heart, Heart, Taylor* (1)
- 5 *Shirley: Out 1929-1971*, Perkin (1)
- 6 *The Illustrated History of Canada*, edited by Evans (1)
- 7 *Enlightenment, The Legend, Pothol* (1)
- 8 *Canadian Film Checklist*, Pothol (1)
- 9 *Time Flies, Cindy* (1)
- 10 *The Great Depression of 1930*, Burns

(1) Fiction best seller

—Compiled by Steven McQueen

A very political mistress

By Allan Fotheringham

The rules of the Parliamentary Press Gallery around Oliver's Ottawa are that each member in good standing is allowed to invite one guest—providing said guest is a member of Parliament, a noted servant or otherwise connected to some branch of the beast called politics. A few years ago (before your agent was banned from the gathering because of selling the truth about it) I took as my date the premier of New Brunswick. This caused a lot of jokes, naturally, and Richard Hatfield had his usual grand time and some time during the late evening disappeared—thus violating the No. 1 Brian Mulroney rule that "you dance with the guy what bring you." He didn't even walk me home.

Richard Hatfield makes it very hard to stick by the old journalistic rule that you should never become personal friends with a politician. While he eventually was brought down by the press, he had more personal friends among the scribblers than any other Canadian politician, past or present. Like Mulroney, who is a (celebrated) media groggy—and now trying to kick the habit, which wouldn't be hard—Hatfield has always been a media gragger.

One of the reasons is probably because we stay up so late at night, a dangerous fact that got into his lifestyle. For years, while the masses of federal-provincial conferences and political closed sessions meant that their dark secrets would forever be hidden from the hated press, the hated press would lounge around in bedrooms, square in the knowledge that around midnight a scotch in Richard's suite at the Four Seasons Hotel at the dirt would be available. He was the most trustworthy link in the nation, and we walked him dry.

While all the other premieres sourced home to their wives and reputations as married men, Richard loved the company at St. John's in Hall with Duffy and Winona and Marjorie and Webster and all the other propaganda. Fotheringham is a columnist for Southern News.

garden-styled wreath. He was a man, a politician who was honest about his hates, and we loved him.

The premier who was in office longest—17 years—than any current premier (and only Loughheed rivaled him for tenure as party leader) was also the most interesting bird from a personal basis. In 1959 the opposition Liberals asserted the fact that he had been out of his province for a grand total of 140 days that year. It was his closest friend, Dalton Camp, who coined Richard's imaginary reply "I was elected to run New Brunswick, as



one said I had to live here." He added New York, Mississippi, Montreal, then to visit Morocco and visited off the hard as elections approached at the spa at Baden-Baden on the edge of der Black Forest.

He once reconvened with me when I missed for the umpteenth time the story of how he had suddenly looked his hat on a dark and stormy night, the bedraggled thing jangling up on the open door, which then snapped that "That story is not really true," he mumbled, obviously not eager to provide details. The myth actually grew, he confessed, over a childhood incident when he from his pet rabbit, putting it in the deep freeze to discipline it over some misbehavior and then forgetting about it. "Richard," I suggested, "stick with the old story."

For all the fiascos and games, despite the fierce power his underdominated province had at the council tables, he was a very useful player in some crucial years, a factor too easily dismissed. While Pierre

Trudeau was the main hot man, during the 1960s, Richard was a relatively acknowledged their original nature, Richard played very at forcing the New Brunswick majority to be more tolerant to the south of the province that in French-speaking Acadia. I once heard him, during one disputatious period, deliver a 45-minute speech in a stately Anglo tone—almost all of it in Dutch French. It was a horrible experience to sit through, but he deserved the political Victoria Cross for it.

He was, of course, a resolute non-ambivalent—a devotion that the friends of Fleet Street rewarded by dubbing him "Dutch Dick." That was the first of the blows that eventually drove him from power. Reincubated by the darkness of London's press area, a younger generation of reporters went at him and eventually got him.

Of course he stayed on too long. As W.A. Bennett did at 244 Devon (and Churchill) and Trudeau (and Reagan) and practically all of them—except Willie May. Only Joe D'Amato knew where to go before it was his time and they've been singing about it ever since. Power is a very powerful mistress, very hard to give up, especially when you're a boy from Hartland, N.B., its only previous claim to fame being the home of the world's longest covered bridge.

Richard enjoyed the covered bridge for the delights of Morocco and Manhattan. New Brunswick was Canadian versus Trudeau—were long troubled with secret envy/admiration for his jet-set style before longevity and careless excess turned them off.

I remember one federal-provincial conference when we left in a chartered bus while a grand Richard scooped off in a first model of his collected \$20-million-a-clip British sports car. A mile down the road, the car had broken down, and as we waited out the windows in place, he looked at himself, derided but smiling. He could laugh at himself. Few other politicians in this country could or can.

It breaks all the rules, but he was a friend and we will miss him.



Once and for all, let's bury some myths about your money.



Myth No. 1: "I'll never be rich." The truth is most Canadians have money—but no money plans. Suppose you earned \$30,000 a year and saved just one-tenth of it each year, starting at age 35. With compound interest, and tax shelters, you could retire at age 60 with over \$380,000.

Myth No. 2: "When I retire, I won't need a big monthly income." True, the children are grown, the mortgage paid. But according to Statistics Canada, the cost of living from 1975 to 1985 more than doubled. So if your monthly income isn't rising, your lifestyle is falling.

Myth No. 3: "I need a lot of money to start investing." If \$100 a month sounds affordable, read on.

Myth No. 4: "If inflation doesn't get me, taxes will." Wrong. Today there are more tax breaks and tax incentives for the small investor than ever before.

Myth No. 5: "Financial planning is only for the rich." Our 400,000 clients busted that myth years ago. Shouldn't you?

Call Investors now for a free, comprehensive financial analysis. It puts over 40 years of financial planning experience to work for you.

And that's a fact.

Investors Group

PROVE YOUR OWN EXPERIENCE

Investors Group Inc., 280 Broadway Winnipeg, Manitoba R3C 3S6

**THE SHAMELESS ART
OF PAMPERING**

BAILEYS ORIGINAL IRISH CREAM® FOR THE MOMENTS YOU TREASURE.

